

Chapter Nine

Governance, Leadership and Management

Governance, Leadership and Management

Contents		Page
9.1	Introduction	310-312
9.2	Governance	312
9.2.1	Executive Board	312-313
9.2.2	Operational management team	313-314
9.2.3	Safety and quality committee	314-315
9.2.4	Partnership committee	315-316
9.2.5	Business and performance committee	316
9.2.5.1	Contribution to citywide priorities	316-317
9.2.6	Audit committee	317-318
9.2.7	Clinical cabinet	318
9.3	Leadership	318-319
9.4	Management Structure	319
9.4.1	Executive Board profile	319
9.4.1.1	The Chair and Non Executive Directors	319
9.4.1.2	The Executive Directors	320-321
9.4.2	Board development	321
9.4.3	Leadership and management structure	321-322
9.4.3.1	Board capacity and knowledge	322-323
9.5	Conclusion	323
Table of Figures		Page
Figure 9.1	Executive Board structure	313
Figure 9.2	Operational Management Team structure	314
Figure 9.3	Citywide priorities and organisational contribution	317

9.1 Introduction

Plymouth Provider Services supports the findings of the Independent Commission on Good Governance in Public Services report and recognises that good governance means:

- Focusing on the organisation's purpose and on outcomes for citizens and service users;
- Performing effectively in clearly defined functions and roles;
- Promoting values for the whole organisation and demonstrating the values of good governance through behaviour;
- Taking informed, transparent decisions and managing risk;
- Developing the capacity and capability of the governing body to be effective;
- Engaging stakeholders and making accountability real.

The following chapter details how the social enterprise will establish robust governance arrangements as a social enterprise providing essential public services. It also describes the leadership and management arrangements for the new organisation, detailing how these structures link to the operational delivery of services and how they support the risk management and assurance process.

In order to ensure effective governance, leadership and management arrangements have been put in place, the organisation will need to demonstrate the following qualities:

- **Clinically coherent** – providing a comprehensive range of services, which are most appropriately delivered through an integrated model and with a clear focus on the delivery of care at or as near to a person's home as possible;
- **Transformative** – possessing the necessary skills and capacity to transform existing models of care that are characterised by effectiveness, efficiency and service user focus.

This transformation will reflect the requirements of the QIPP plans for the local health economy and include the adoption of the 'Think Family' philosophy as a core deliverable;

- **Well managed** – enabling the organisation to face a range of challenges relating to the delivery of services, operating and maintaining delivery and supporting the transformational change process.

Managers, clinicians and teams will be fully accountable within an overarching governance and performance framework and will be included in the change process, in line with the methodology adopted by the organisation and described in more detail in chapter five and the Transformation and Service Development Strategy; and

- **Effective interfaces with primary care, acute care and social care** – delivering high quality community care requires close coordination with social care, acute care providers and primary care providers.

The social enterprise will establish appropriate processes to enable this coordination, as well as fostering a culture which supports cooperation, empowerment, freedom for clinical innovation, and integration of service provision across traditional organisational boundaries.

Delivering these characteristics will require individuals, teams and the organisation as a whole to embrace change, as well as alignment and integration of systems and processes. The most effective way to deliver this change is through involved and engaged service users, staff and other stakeholders in the co-production of services.

The Workforce and Organisational Development Strategy will set out how this will be undertaken, with the engagement of staff, and will explore what these principles mean in practice. It is recognised that this approach is likely to require:

- Transformation skills programme for managers and clinicians across the organisation, based on the ‘five frames’ approach adopted by the organisation;
- Project management, and coaching, to implement QIPP programmes and to offer support for the wider application of the NHS Institute for Innovation and Improvement “Productive Series” (where these have not been deployed already); and
- Workshops to optimise team working arrangements for groups who will be required to coordinate care across organisational boundaries. This

will be based on externally validated programmes, including those delivered by the Health Foundation.

9.2 Governance

The governance arrangements for the social enterprise have been modelled on those already operating in successful, health focused social enterprises. The arrangements take into account the role that service users and the workforce will play in helping to ensure that Plymouth Provider Services is able to demonstrate the social value it adds to the local health economy and wider community.

Although the social enterprise operates as a CIC, it must still comply with the requirements of the UK Corporate Governance Code and must have appropriate Board and committee structures in place to support the successful governance of the organisation. Chapter three contains further details about the governance arrangements associated with establishment of a CIC.

The governance structures for the social enterprise are detailed below.

9.2.1 Executive Board

The Executive Board of the social enterprise will undertake the following functions:

- Manage the strategic focus of the social enterprise's business and exercise all the powers of the company for any purpose connected with the company's business;
- Full accountability for the clinical quality and financial probity of services provided
- The social enterprise has the power to do anything which is incidental or conducive to the furtherance of its objects;
- The social enterprise's objects are to carry on activities which benefit the community (without limitation).
- Ensure that the social purpose is fully met, including the meaningful involvement of stakeholders and users of the service provided.

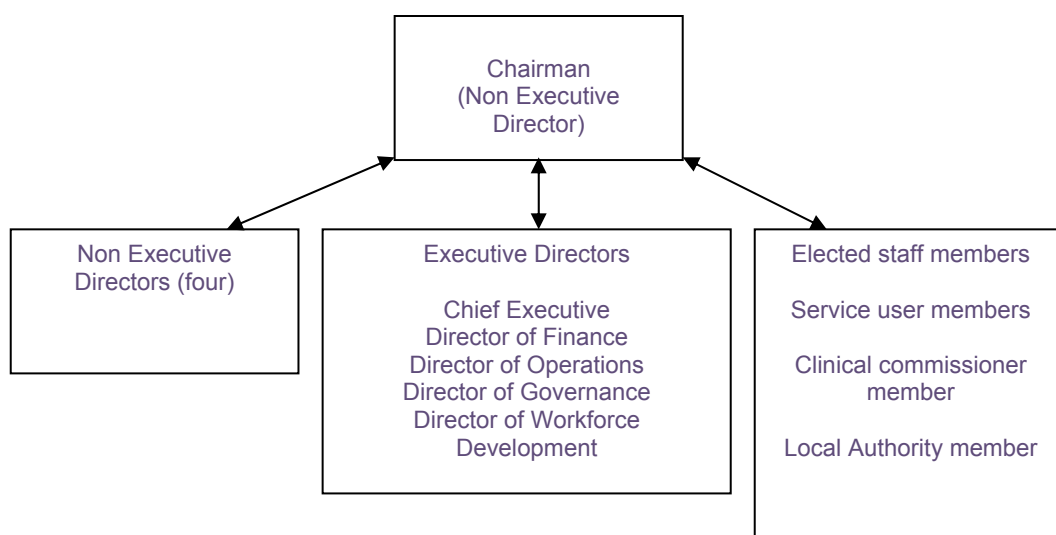
The membership of the Executive Board will comprise of a majority of Non Executive Directors with Executive Directors and elected staff representatives, drawn from a staff council representing all employees. The staff council will

not replace the formal arrangements and recognition of Trade Unions which the social enterprise will have in place. There will be arrangements in place to offer representation on the Board to a nominated individual from the Local Authority, Users of our services and a clinical commissioner.

A number of formal sub-committees will be established, each with an identified senior manager lead and where appropriate, chaired by a Non Executive Director. Key sub-committees are identified within the following paragraphs. There will also be a formal Joint Consultative and Negotiation Committee, chaired by the Director of Workforce Development.

The proposed Executive Board structure is shown below, as Figure 9.1:

Figure 9.1 Executive Board structure



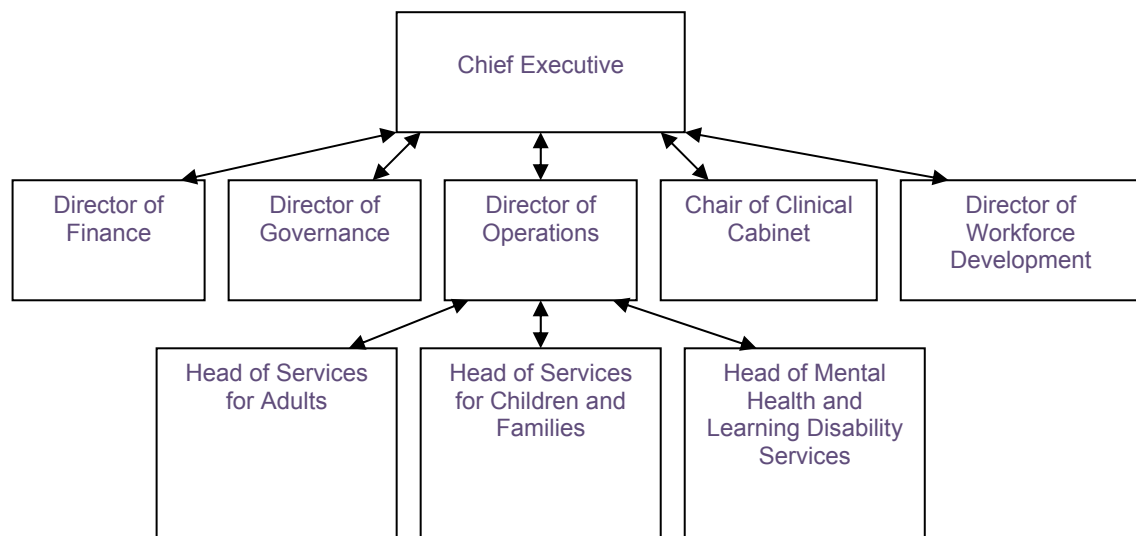
9.2.2 Operational management team

The Operational Management Team is responsible for the implementation of the service delivery strategy approved by the Executive Board. The Operational Management Team membership is drawn from a wide range of managers and clinicians, with a strong emphasis on the contribution of the clinical aspects of care and service delivery, via the Chair of the Clinical Cabinet and Director of Governance.

There will be formal arrangements in place to oversee the performance and governance aspects of day to day service delivery, with formal links to the Performance Committee and the Safety and Quality Committees.

The membership and functions of the Operational Management Team are attached in Annexe 9.1 and the proposed structure is outlined below as Figure 9.2:

Figure 9.2 Operational Management Team structure



9.2.3 Safety and quality committee

The function of the Safety and Quality Committee is to ensure that robust assurance, governance and performance mechanisms are in place and monitored to provide assurances to the Executive Board that essential standards of safety and quality are being met. This will require the Safety and Quality Board:

- To report to the Executive Board the annual integrated governance strategy and structures;
- To develop and oversee the implementation of the quality and governance strategy, including a Quality Account
- To ensure compliance with the NHS Regulatory Framework under the Health and Social Care Act;
- To provide assurance on the safety and quality of clinical services;

- To oversee and manage all clinical and non-clinical risk management including complaints, claims, incidents etc.
- To provide specific assurance on the implementation of the Mental Health Act and the Mental Capacity Act.

Membership of the Safety and Quality Committee will be comprised of the following:

- Non Executive Director (Chair, who is also a member of the Audit Board);
- Director of Operations
- Director of Governance
- Chair of Clinical Cabinet
- Heads of each service
- Staff representative
- User representatives
- Senior managers from each cluster of services;
- Director of Workforce Development

In line with our philosophy of staff involvement, attendance at this committee by interested members of staff will be encouraged, particularly as part of a personal development programme.

9.2.4 Partnership committee

The Partnership Committee is a sub-committee of the Executive Board. The main function of the Partnership Committee is to:

- Develop and monitor any policies that the social enterprise may have in relation to engagement and partnership working;
- To maintain the strategic focus and oversight in relationship to engagement and partnership strategies as a CIC;
- Work for and on behalf of the social enterprise to maximise its wider social benefit through business growth and recommendations to the Business and Performance Board;
- Annually report to the Executive Board, giving a degree of external assurance in relation to its Corporate Social Responsibility Statement and Policy;
- Ensure the delivery of the User Involvement Strategy, covering all individuals receiving services from the social enterprise.

The membership of the Partnership Committee will be comprised of the following:

- Non Executive Director (Chair);
- Six representatives from local organisations who speak for the diversity of the communities;
- Heads of each service areas, plus relevant clinicians;
- Users served by the services of the social enterprise;
- At least three community champions drawn from the staff of the social enterprise; and
- Community representatives, possibly elected from each of the localities in the city.

9.2.5 Business and performance committee

This is a sub committee of the Executive Board and it undertakes the following functions:

- Ensures robust performance and operational framework and assurance mechanisms are in place and monitored;
- Oversees, agrees and manages the implementation of the Integrated Business Plan;
- Develops strategies, plans and new business opportunities for the social enterprise's services; and
- Monitors performance against business and financial plans.

The membership of the Business and Performance Committee is as follows:

- Non Executive Director (Chair);
- Chief Executive;
- Director of Finance;
- Director of Operations
- Heads of Services;
- Director of Workforce Development
- Chair of Clinical Cabinet.

9.2.5.1 Contribution to citywide priorities

In addition, discussions with Health and Adult Social Care Overview and Scrutiny Panel of Plymouth City Council have identified that the following areas would be key contributions to the citywide priorities for Plymouth.

The city has recently adopted overarching priorities to guide key partners across all sectors in their delivery and resource planning. These are based on a firm, up to date and robust evidence base contained within the Plymouth Report, and have agreed targets associated with them.

The Health and Adult Social Care Overview and Scrutiny Panel will be interested to see how the proposed organisation will contribute to delivering against these priorities, which are included below in Figure 9.3:

Figure 9.3 Plymouth Priority	Integrated Business Plan – area for scrutiny
Delivering growth and raising aspiration	<ul style="list-style-type: none"> • Workforce development • Market development • Relationship with independent sector and other providers
Reducing inequalities	<ul style="list-style-type: none"> • Prioritisation and performance management arrangements with respect to key high level health indicators, such as life expectancy, child obesity etc
Value for communities	<ul style="list-style-type: none"> • Access to services • Public and community engagement • Collaborative working over 'back office' support functions • Efficiency proposals over current organisation

It is worth noting that services for children and families will also continue to contribute to the achievement of the strategic priorities identified in the Children and Young People’s Plan as part of the work undertaken by the Plymouth Children and Young People’s Trust.

9.2.6 Audit committee

The Audit Committee advises the Executive Board on the adequacy of audit arrangements (internal and external) and on the implications of assurances provided in respect of risk and control. The Audit Board will review all key risks for the organisation.

The duties undertaken by the Audit Board are:

- Risk Management and Internal Control;
- Internal Audit;
- External Audit;
- Financial reporting;
- Standing Orders/Standing Financial Instructions;

- Whistle Blowing.

The membership of the Audit Board will be comprised of the following:

- One Non Executive Director (Chair, with relevant financial experience)
- One Non Executive Director (Safety and Quality Board)
- One other Non Executive Director

9.2.7 Clinical cabinet

The Clinical Cabinet is a formal committee of the Executive Board with a significant role in developing clinical transformation via empowered and supported clinicians. Whilst membership of this committee is drawn from within the organisation, there is the ability to co-opt and invite membership from clinicians from partner organisations to address specific areas of work, such as those services that cross organisational boundaries.

The role of the Clinical Cabinet is to:

- Provide clear clinical leadership for every service;
- Communicate the organisation's vision and strategic objectives;
- Engage a wide range of stakeholders in the development of the social enterprise's vision, strategy and plans;
- Lead and receive reviews of clinical services; and
- Maintain strong links with frontline health professionals across health services within the social enterprise.

The Clinical Cabinet will be chaired by a senior clinician and have a membership drawn from all professions and practitioners within the organisation.

9.3 Leadership

Previous chapters of this Integrated Business Plan, particularly chapter five, have described an ambitious programme of clinical service transformation. This transformation will deliver improvements in quality and efficiency, and ensure sustainability; these are the three core benefits that will be delivered through the business model that the social enterprise has adopted.

In taking forward the transformational changes, there must be active involvement and engagement of the whole workforce and visibility of the Executive Board and Operational Management Team as part of that process.

Further details about the leadership and management approach that the organisation will adopt, particularly in relation to the engagement of the workforce, are included in chapter six.

9.4 Management structure

This section includes a profile of the Board of the social enterprise and information about the proposed Board development that will take place over the next three years to ensure the continuing success of the social enterprise.

As a new organisation, which will be operating in a competitive environment, it is essential that the Board and senior management team are equipped with the right skills and abilities to enable the sustainability and growth of the social enterprise.

9.4.1 Executive Board profile

The profile and competencies of the Board, for both Executive and Non Executive Directors, is included below:

9.4.1.1 The Chair and Non Executive Directors

The Chair and Non Executive Directors will assist in provide the strategic, visionary leadership qualities that will set the organisation apart. The post holders will embrace the transformational change agenda and provide expertise and an entrepreneurial mindset that will enable the organisation to achieve its stated strategic aims and to deliver improved health outcomes for service users and the wider community.

With board level experience from industry, the voluntary and community sector, or the public sector, the Non Executives will have excellent communication skills and a passion for the value of public service. Able to navigate complex relationships, the ability to motivate and inspire others will come easily.

9.4.1.2 The Executive Directors

Chief Executive

The Chief Executive will have a demonstrable history of leading transformational change within complex health care environments. The post holder will have an absolute passion for enabling the delivery of clinical services to a consistently high quality, reflecting the 'Think Family' philosophy of care, and coupled with a true understanding of how the range of services delivered by the organisation have a significant positive impact on the health and wellbeing of our local population.

The Chief Executive will have the ability to set clear direction, build and maintain effective teams, holding them to account and to ensure that the organisation has responsiveness to meeting patient/carer and commissioners needs in developing services. The post holder will have the ability to synthesise complex and potentially conflicting demands, but always maintain a clear focus on the delivery of high quality care through empowered and competent staff.

Director of Governance

The Director of Governance will have a very clear focus on the development of a clear framework of accountability and service quality. The quality agenda will be all encompassing, with every employee having a very clear requirement to contribute to the safety, quality and accountability agenda. The post holder will have a proven track record in delivering the quality agenda in a complex healthcare environment, a full knowledge of the requirements of CQC as well as the ability to relate to all clinicians and staff, as well as establishing professional and supportive relationships with our partner organisations.

Director of Finance

The Director of Finance will have a comprehensive knowledge of the financial arena in which the social enterprise operates. The post holder will also be accountable for the delivery of a robust and enabling performance framework for the organisation. A clear understanding of the Information Management and Technology (IM&T) agenda will be critical, as will the opportunities for greater cross organisational and agencies infrastructure support sharing arrangements.

Director of Operations

The Director of Operations will have a proven track record of clinical service delivery, including Mental Health as well as General healthcare services. A clear understanding of out of hospital agenda is required, along with an ability to lead and develop services, gaining the confidence of staff, trade unions and members of the public in effecting changes to service delivery.

9.4.2 Board development

The social enterprise intends to arrange for an external, independent evaluation of the Board to take place during the first year of operation as a new social enterprise. The focus of this evaluation will be to review the way that the Board works and identify any developmental requirements arising from this.

It is anticipated that as well as undertaking the formal functions of the Board, as described above in section 9.2.1, the Board will participate in seminars on the key challenges facing the organisation (for example movement towards the management of value rather than management of cost, in line with the transformational change agenda and adoption of a whole systems approach).

It is recognised that development of the Board will necessarily be an iterative process, which will require ongoing evaluation to determine the impact and ensure that the approach being taken continues to align with the strategic objectives of the social enterprise.

The Board will actively work with other established social enterprises to ensure that the values and ethos of this organisational model are incorporated into day to day management. In addition, each Board Director and elected staff representative will have a personal development plan that enables a mentoring arrangement with an existing social enterprise Director, to ensure that we are supported in our venture and that we work successfully for the best provision of services for the communities we serve.

9.4.3 Leadership and management structure

The Leadership, supported by a robust management structure will need to focus on a number of issues:

- Board capacity to manage a complex, integrated organisation with an extensive transformation programme

- Understanding by the executive team and the senior managers and clinicians of the issues across the portfolio of acute, community and social care
- Governance requirements of an integrated organisation and the ways in which these requirements will differ from existing arrangements
- Lessons that can be learnt from comparable organisations
- Clinical leadership in a transformational organisation
- A talent management programme which maximises the potential of future leaders from across the organisation. This will focus work around the support and development required by managers, clinical leaders and teams to sustain a culture of improvement in quality and productivity
- A coaching strategy for key posts and change champions

9.4.3.1 Board capacity and knowledge

Board development will be undertaken in line with the Institute for Innovation and Improvement's Board Development Tool. This approach focuses on:

- Core Business
- Delivery
- Effective Team working
- Engagement with Stakeholders
- Leadership of the Board

This approach is intended to deliver the following outputs:

- Shared vision of what a high performing Board looks and feels like
- Comparison of Board's performance with that vision
- Board and top team development plans
- Agreement on challenges presented by the need to manage a new type of organisation
- Common understanding of the different perspectives of the various types of Board member and the experience that each individual brings to the Board.
- Assessment of Board's performance against Boards of similar organisations and shared learning with other integrated organisations
- Establishing an ongoing process for monitoring the Board's results year-on-year

This work will involve interviews with Board members as well as group work focusing on the way the Board and its individual members work as well as seminars to bring the Board up to speed with key policy and operational issues across the new organisation.

An indication of the relevant responsibilities of the Operational Management Team is attached as Annexe 9.1.

9.5 Conclusion

The new organisation is able to describe the approach that will be taken to running the day to day operations of the business, as well as indicating how the social enterprise will be governed through the Board and the sub committees, which will operate to engage service users, the local population, and staff in the delivery of services.

It is recognised that there are areas where further development will be required to ensure they are able to respond to the challenges that the organisation may face in the future, including those outlined in the SWOT analysis in chapter five (attached as Annexes 5.1 – 5.4). This will provide a robust platform for the future development and long term sustainability of the organisation.