



## **PERTH AND KINROSS INTEGRATION JOINT BOARD**

### **AUDIT & PERFORMANCE COMMITTEE**

**19 JUNE 2018**

#### **UPDATE: TRANSFORMING GOVERNANCE ACTION PLAN**

**Report by Chief Financial Officer (G/18/78)**

##### **PURPOSE OF REPORT**

This report provides a further update on progress in taking forward the key actions set out in the Transforming Governance Action Plan approved by the Audit & Performance Committee in June 2017.

##### **1. BACKGROUND**

As part of the process for reviewing the integrity and effectiveness of the Integration Joint Board's governance arrangements to inform the Annual Governance Statement for 2016/17, the Chief Financial Officer has led a robust self assessment process across the Partnership and with full involvement of the management team.

As part of this process, a number of areas were identified for further development to ensure that the IJB and the Partnership Team can manage and mitigate risks more effectively. These were set out in the Transforming Governance Action Plan which was set out for the Audit & Performance Committee at its June 2017 meeting. Updates have been provided to the Committee in September 2017 and March 2018.

This report provides a further update on progress against the key areas for development identified.

##### **2. UPDATE**

Appendix 1 provides an update on progress over the last 2 months in taking forward the areas identified for development.

##### **3. RECOMMENDATION**

The Audit and Performance Committee are asked to note the progress made to date.



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ISSUE	AREA FOR DEVELOPMENT	ACTION	SRO	DATE	UPDATE
1.	<p>OUR GOVERNANCE FRAMEWORK: Formally establish and articulate the overall governance framework that supports the relationship with PKC and NHST and provide training and development for members and officers to ensure that roles, responsibilities within the framework are understood.</p> <p>Ensure that Standing Orders are reviewed and updates annually.</p>	Meeting with Lesley McLay/Bernadette Malone. Thereafter draft governance agreement for sign up by both. Create a standard learning and development session on IJB Governance that can be used widely.	CO/CFO	July 2017	<p>Paper on IJB Governance approved by NHST Audit Committee providing NHST support to two models of governance in NHST. Paper to go to September 2018 IJB.</p> <p>Final confirmation required from NHST and PKC of full mutual agreement to model of governance and accountability in place for P&amp;K IJB.</p>
2.	<p>DEVELOPING OUR CULTURE AND IDENTITY: Develop a shared culture and identity based on a shared vision across the whole team of the future shape of health and social care across Perth &amp; Kinross.</p>	EMT dedicated session with Helen Mackinnon to consider recommendations of participation and engagement sub-group around branding and identity in first instance.	CO	July 2017	<p>A logo has been approved by the IJB who asked that a strap line be added. This was approved by the IJB in January 2018.</p> <p>Development of a statement of our vision and values in early 2018/19 which will become 'front and centre' of all IJB activities moving forward</p>
3.	<p>RISK MANAGEMENT IN PRACTICE: establish clear protocols for risk management at both Strategic and Operational level that are consistent with the agreed Governance Framework, with a focus on clinical and care risk in the first instance.</p>	Following establishment of clear principles of governance and learning for EMT, set up risk management workshop with external facilitation and including PKC and NHST colleagues.	CFO	Nov 2017	<p>Audit &amp; Performance Committee agreed that a workshop based approach to review of the Risk management arrangements would be undertaken including a workshop with officers and IJB members in June 2018.</p> <p>This workshop process has commenced. First workshop held in April 2018. Further workshops</p>



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		Ensure risk management template is adjusted to include information on assurances on controls set out in the Risk management Strategy ( Appendix 2)			<p>have been delayed whilst further work undertaken by EMT to clarify Strategic Delivery Plan Priorities.</p> <p>Further workshops to take place 6<sup>th</sup> and 12<sup>th</sup> June 2018 with workshop with IJB Members now planned for September 2018.</p>
4.	OUR STRATEGIC PLANNING GROUP: Clarify and strengthen role of Strategic Planning Group, ensuring links to localities and care group strategies.	Review how Strategic Planning groups are operating across other IJBs across Tayside and beyond. Thereafter review the role, remit and membership and consider alignment to EMT	CO	Aug 2017	<p>The IJB received a paper in 2017/18 outlining future structure for Strategic Planning. The Strategic Planning Group's role is confirmed as part of that structure. The Partnership is obliged to refresh its Strategic Plan during 2018/19. An extended Strategic Planning Group has begun that refresh and this will link closely to emerging principles of the 4 Care Programmes.</p>
5.	LEADERSHIP CAPACITY: Review the organisational structure of the partnership team to ensure sufficient leadership and strategic planning capacity which takes account of our responsibility for significant hosted services.	Undertake a needs assessment and thereon identify revised organisational structure for approval by partners/IJB.	CO	Aug 2017	<p>Key gaps identified as follows:-</p> <ul style="list-style-type: none"> <li>• Business Planning &amp; Performance</li> <li>• Mental Health ( Medical Leadership/General Management)</li> <li>• Strategic Planning</li> </ul> <p>Service Manager (Business Planning and Performance) Job Description developed and to be appointed on a secondment basis.</p> <p>Temporary Associate Medical Director for Mental Health has been appointed. Recruitment is underway for a permanent appointment. A General Management post to load the Mental</p>



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					Health Improvement Plan and coordinate activities across Tayside is undergoing recruitment.
6.	CLINICAL LEADERSHIP AND ENGAGEMENT: Develop and implement a model for clinical and leadership across services that embeds medical staff at the heart of redesign.	In line with the Strategic Delivery Plan, consider the key priority areas for medical involvement/leadership and thereon consider the arrangements that will best support the Clinical Director to ensure full and effective engagement.	CD	Aug 2017	<p>Increase to Clinical Director Capacity and supporting infrastructure has now been agreed.</p> <p>Discussions ongoing with NHST Medical Director regarding Medical Leadership model and ensuring that IJB Clinical Directors key leadership role is understood and appropriately dovetailed with wider NHST Medical leadership Model to ensure clear lines of accountability and responsibility for decision making.</p> <p>Clinical leadership forum has now been established for development of PKHSCP Clinical Strategy and Mental Health Community.</p>
7.	MEANINGFUL ENGAGEMENT WITH COMMUNITIES: Review the basis on which the partnership are engaging with communities ensuring that there is a clear process and that we are actively encouraging active participation of service users, carers and communities in the redesign of services.	Process for signing off stakeholder engagement plans to come forward to Transformation Board	Heads of Service/ Helen Mackinnon	Revised deadline – end June 2018	The route for approval of stakeholder engagement plans has been impacted by the temporary standing down of the Transformation Board whilst a review of its role and remit is undertaken. A follow up communication will now be issued asking that all stakeholder engagement plans come forward to the Executive Management Team.
8.	A FOCUS ON DELIVERY: Develop a three year Strategic Delivery Action Plan with timescales	Workshop session planned for 6/7 July 2017. 17/18 Project Plan to be key	EMT	Aug 2017	EMT is currently overseeing the development and implementation of a programme board structure to take forward the implementation of agreed



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	<p>and agreed SRO's against agreed actions with clear alignment to the Performance Management Framework.</p> <p>A locality development planning workshop to be held in September with GP involvements to agree clear milestones for future development and alignment to work of Community Planning Partnerships.</p>	<p>output.</p> <p>Locality Development Workshop session to be held September 2017</p>	<p>Heads of Service/ Clinical Director</p>	<p>Sept 2017</p>	<p>Strategic Delivery Plans ( SDP) for :-</p> <ul style="list-style-type: none"> <li>• Older People and Unscheduled Care</li> <li>• Primary Care</li> <li>• Wellbeing ( including Mental Health, Learning Disabilities, Drug and Alcohol Services )</li> <li>• Carers</li> </ul> <p>The Strategic Delivery Plan (SDP) for Older People and Unscheduled Care has been drafted and will be formalised by the new Programme Board. A BITE event is being planned to take forward the development of the SDP for Wellbeing. The Clinical Director will take forward the development of the SDP for Primary Care.</p> <p>Each Programme Board will agree a Performance Framework with appropriate targets. A Programme Budget will also be agreed. Draft Programme budgets for each programme have been shared and the proposed performance framework for Older People and Unscheduled Care will be considered by the Audit &amp; Performance Committee in June.</p> <p>Leadership arrangements within PKHSCP are undergoing significant review to ensure that strategic leadership to each of the programmes is clear and effective programme/planning support is aligned.</p>



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					<p>Financial Planning will be taken forward on a Care Programme Basis for 2019/20 and beyond.</p> <p>The move to a care programme planning approach will require careful consideration of how locality planning will dovetail with the work of the programmes.</p>
9.	MANAGING THE BUSINESS: Review the role, remit and membership of all of our key groups (EMT, COG, Transformation Board etc) to ensure that there are robust forums to support ongoing planning of future services as well as appropriate and effective mechanisms to oversee operational delivery of services.	Head of Legal Services (PKC) to facilitate a planning session to review and refresh role and remits of key group to ensure clear linkages, routes and accountabilities.	EMT	Aug 2017	<p>EMT has been established as the key forum to oversee development and implementation of the service redesign and transformation required to deliver Strategic Plan objectives.</p> <p>The establishment of Programme Boards to oversee the development of Care Group Strategic Delivery Plans will require the role of EMT to be reviewed to ensure its fit with the new programme structure is clear and effective.</p>
10.	LARGE HOPITAL SET ASIDE: Working with NHST, establish robust planning arrangements for large hospital services that ensure that we are leading on the design of future models of care across devolved hospital and community services and unscheduled care across the PRI site.	Role remit and membership of PRI Review Group to be formally agreed along with strategic planning process, key touch points and outputs.	EMT	July 2017	<p>PRI Clinical Strategy Group meeting weekly which seeks to develop clinical model for unscheduled care across medical beds at PRI and within Community Hospitals.</p> <p>Further formal discussion will however be required with NHST during 2018/19 to understand how decisions affecting General Medicine and Emergency Department at PRI will be taken forward jointly by NHST and PKIJB.</p>
11.	HOSTED SERVICES: Working with other IJB's, ensure	Hosted Services Strategic Planning Event to be set up	EMT	Dec 2017	Significant work undertaken to establish clear and appropriate governance route for agreement of



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	mechanisms are in place to ensure that each IJB is effectively and appropriately involved in developing major transformational change plans and ensure regular sharing of information in relation to all hosted services.	in September to review each hosted service, emerging strategic and operational issues and next steps.			new model of care for IP GAP and LD which are hosted by PKIJB. Significant learning from this which will now be fed into review of risk management.  The 2018/19 Financial Planning process across all IJB's has involved significant formal and informal cross-review and approval of service redesign plans.
12.	EFFECTIVE CORPORATE SUPPORT ARRANGEMENTS: Review the effectiveness of corporate support arrangements and develop a draft improvement plan and mechanism for ongoing discussion with both parent bodies.	Internal Audit Review to be undertaken.	CIA/CO	Aug 2017	From 1 <sup>st</sup> April 2018, the Community Care Finance Team and Community Care Business Improvement Team have been directly aligned to PKHSCP reporting to the Chief Finance Officer. This gives a significant opportunity to redesign a number of crucial corporate functions. Key to this redesign will be the appointment of a Head of Business Planning and Performance who will lead on the design of integrated business support functions and will identify material gaps in corporate support for discussion with both NHST and PKC. The CFO is in discussion with the Interim Director of Finance NHST and other CFO's around the future shape and scale of finance support and how an integrated approach can be achieved.
13.	OUR BOARD MEMBERS: Work with the Chair of the IJB to establish a training and development plan for Board members that recognises the needs of the individuals as well s the Board as a whole.	Options for assessing training development needs to be pulled together for meeting with Chair and Vice Chair	CHAIR/CO	Mar 2018	The considerable changes to membership of the IJB during 2017/18 have meant that this work has not been taken forward. A meeting with the IJB Chair and Chief Officer will take place in May 2018. Supported by the CFO, Legal Services and the Secretary to the Board, a fundamental review of training and development needs will be undertaken.



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14.	A SYSTEMATIC APPROACH TO PERFORMANCE MANAGEMENT: Develop and implement a performance monitoring system that provides EMT with regular, robust management information on performance against agreed strategic performance indicators and other supporting performance measures that ensures appropriate and effective scrutiny and review against agreed targets.	Leadership arrangements around performance to be agreed.  Interim support to set up reporting system to be identified.	CO	Aug 2017	See (8) above.
15.	SETTING CLEAR OBJECTIVES FOR THE TEAM: Ensure that annual objectives are set for each member of the partnership team that align with agreed strategic transformation and other priorities.	Objectives to be set for all EMT and direct reports by end of July.	CO	July 2017	Objectives agreed for CO and CFO.
16.	DELIVERING FINANCIAL SUSTAINABILITY: Work with NHST to consider the sufficiency of the GP Prescribing budget as part of our overall ambition to deliver sustainable future services.	Meeting to take place with CO/DOF NHST in July	CFO	Aug 2017	During 2017/18 significant work has been undertaken to develop the 2018/19 Financial Plan for GRP Prescribing. This was presented in draft to the IJB in March 2018. At this stage a gap of £600k was forecast for 18/19. This represents very significant progress. Further work is being undertaken by the Clinical Director and with support from NHST Prescribing Management Group to close the gap. A further update will be provided to the IJB in June. The IJB BRG will consider in detail the 2018/19 Financial Plan for GP Prescribing at a dedicated meeting at the end of



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					<p>June.</p> <p>The 2018/19 Budget Negotiation process concluded with a very challenging settlement from PKC and a recurring deficit against social care of £1.5m. The risk profile of the IJB has shifted and careful consideration now needs to be given to a new process for budget negotiation involving both parent bodies. It will also be crucial that an effective mechanism for ongoing discussion with PKC Elected Members is identified early in 2018/19.</p> <p>For 2018/19 the financial position within IP Mental Health remains a significant risk to the IJB. Whilst significant programme of redesign has been identified that should deliver financial balance in the medium term, NHST have indicated that bridging finance made available in 2018/19 will not be available in 2018/19.</p> <p>The pace of delivery of the transformation plans is wholly linked to clear and effective leadership arrangements including medical leadership. Such arrangements are being developed but are not yet in place.</p>
	Develop a three year financial strategy aligned to the Strategic Delivery Plan that sets out the detailed investment and disinvestment plans that supports future financial sustainability.	Fully cost Strategic Delivery Plan and link to existing and emerging savings proposals to set out three year financial plan.		Dec 2017	<p>See (8) above. The shift to a Care Programme Strategic Planning approach with an aligned programme budget will ensure that investment/disinvestment decisions are taken as part of core strategic planning of services rather than as a separate budget exercise. There will</p>



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	<p>Work with NHST and PKC to develop principles to underpin an aligned approach to budget setting from 18/19.</p> <p>Working with NHST and PKC ensure that the partnership's approach financial planning effectively supports the budget setting process in both parent bodies.</p>	<p>Input proactively to PKC Budget Setting Process and planned changes to approach for 18/19. In parallel feed into NHST Budget planning Group</p> <p>Joint SMT workshop to determine cornerstones of a joint approach to budget setting.</p>		<p>Aug 2017</p> <p>Aug 2017</p>	<p>however undoubtedly be difficult decisions required to be considered by each Programme Board as they seek to deliver objectives within a very difficult financial landscape. The role of the IJB Budget Review Group ( established during 17/18 to provide strong scrutiny to the financial planning process) will require to be reviewed to ensure it can play an effective role</p> <p>See above. Careful consideration now needs to be given to a new process for budget negotiations involving both parent bodies and to the development of an effective mechanism for ongoing discussion with PKC Elected members.</p> <p>Complete. All necessary timescales met in full in the financial planning process for 2018/19 with full sharing of detailed financial plans with each parent body as appropriate.</p>
17.	CLINICAL CARE & GOVERNANCE: Review Domain subgroups and identify SRO's for key programmes	Recommendations from Chief Social Worker/Clinical director to come forward to	CD/ Chief Social	Aug 2017	Initial review of Clinical and Care Governance Programme has been completed by Clinical Director and Partnership Clinical Care Professional



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	<p>of work.</p> <p>Review required during 17/18 of CCGF and continuing health and LA quality groups to develop clear link and routes for escalation.</p> <p>Agree reporting requirements for Chief Social Work Officer to provide necessary assurances.</p>	<p>Chief Officer.</p> <p>Agree reporting requirements for Chief Social Work Officer to provide necessary assurances.</p>	Work Officer.		Governance Forum. Agreed annual reporting process for each service.
18.	<p>MANAGING DATA</p> <p>Consider the arrangements required by the IJB to comply with FOI and Public Records Legislation</p>	<p>Consider the arrangements required by the IJB to comply with FOI and Public Records Legislation and make necessary recommendations to the IJB.</p>	CFO	31 <sup>st</sup> March 2018	A meeting has taken place with Head of Legal Services (PKC) to discuss the appointment of a Data Protection Officer for the IJB. Formal follow up and appointment is now being taken forward