



AGENDA ITEM NO: 11.0.

Meeting Title/Date:	Governing Body - 26 September 2017		
Report Title:	Sustainability and Transformation Partnership Governance		
Paper Prepared By:	Amanda Doyle	Date of Paper:	2 August 2017
Executive Sponsor:	Andrew Bennett	Responsible Manager:	Andrew Bennett
Committees where Paper Previously Presented:	Not applicable		
Background Paper(s):	Not applicable		
Summary of Report:	This paper summarises the proposed new STP Governance arrangements and structure for Lancashire and South Cumbria STP.		
Recommendation(s):	All partners are asked to support a revised Governance structure for Lancashire and South Cumbria STP.		
			Please Select Y/N
Identified Risks:			N
Impact Assessment: (Including Health, Equality, Diversity and Human Rights)			N
Strategic Objective(s) Supported by this Paper:			Please Select (X)
To Improve the health of our population and reduce inequalities in health			X
To reduce premature deaths from a range of long term conditions			X
To develop care closer to home			X
To commission safe, sustainable and high quality Hospital Health Care			X
To commission safe, sustainable and high quality Mental Health Care			X
To improve capacity and capability of primary care services to respond to the changing health needs of our population			X
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Proposed new STP Governance arrangements

1. STP Governance

NHS Trust Boards and CCG Governing Bodies in Lancashire and South Cumbria (L&SC) are asked to support proposals for a refreshed governance arrangement for the L&SC Sustainability and Transformation Partnership (STP).

The refresh is needed at this point since the Next Steps on the NHS Five Year Forward View published recently, requested all STPs to establish an STP Board which would enable effective, system wide, decision making and assurance, in order to implement and effectively manage transformation and delivery of the key national and local priorities.

The existing governance structure in Lancashire and South Cumbria had been established largely to oversee a large scale transformation programme and the drafting of the Sustainability and Transformation Plan, but, as STPs continue to develop, the arrangements need to enable the L&SC system to move to delivery of the transformation plan, as well as ensure a system wide focus on performance against key clinical priorities and financial control.

The proposed governance structure assumes:

- LDPs will play an active part in the development and delivery work of the policy work-streams
- Programme Management Group, comprising of STP Execs and SROs of work-streams and LDPs, will oversee the delivery of the overall STP programme plan and advise the STP Board on progress
- The recommendations of the work-streams can be passed en-route to the STP Board through a number of advisory groups for assurance of clinical priority (Care Professionals Board), economic priority (Finance and Investment Group), operational feasibility (Provider Board), commissioning feasibility (Collaborative Commissioning Board)
- The current Programme Board be re-established as a Partnership Board, offering the STP Board an opportunity to engage with a wider stakeholder group
- Local Delivery Partnerships work towards the establishment of Accountable (Integrated) Care systems

2. Accountable Care

Blackpool & the Fylde Coast are one of eight first wave Accountable Care Systems (ACS) recently announced by NHS England, but this will extend to the rest of Lancashire & South Cumbria when each local system is ready to meet the requirements set for an ACS. These requirements are detailed in an MOU between NHSE/I and Blackpool and the Fylde Coast ACS.

A further MOU is to be established between NHSE/I North and the STP, to describe what needs to be achieved in 2017/18 and the way in which support will be provided to make the fastest possible progress.

All L&SC partners need to agree how we will work together to achieve the expectations of the MOUs.

Proposed new STP Governance arrangements

Objectives of the national MOU with Blackpool and the Fylde Coast are:

- Make faster progress on reform of urgent and emergency care, primary care, mental health and cancer services
- Manage improvements within shared financial control total across CCG and provider partners
- Integrate services and funding within a single health system
- Act as strong leadership cohort

The draft MOU sets out the requirements against each of these objectives:

- ACSs will be judged by results against specific targets for improving services in the four priority areas (UEC, MH, primary care, cancer)
- A single control total combining CCG and provider deficits will be set – the MOU defines the rules around the expected delivery of the control total, as well as expecting rapid progress on system efficiencies
- The expectations around developing accountable care are laid out, including effective decision making and governance structure; developing a vertically integrated care system, whilst realising the benefits of horizontal integration for some services

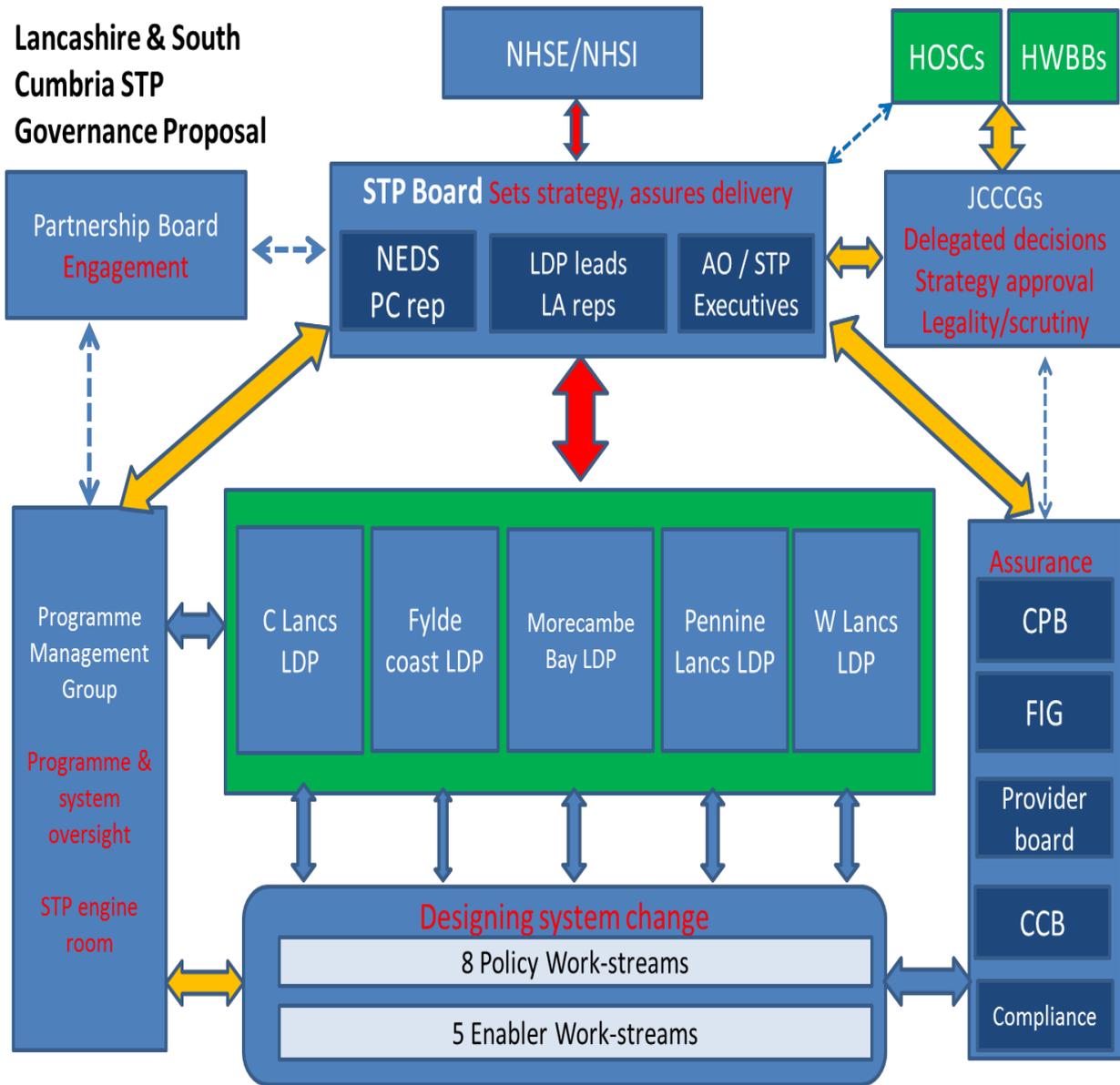
The MOU also sets out freedoms and flexibilities available to the shadow ACS on the understanding that the above objectives are achieved, including;

- Delegated decision rights for primary care and specialised services
- Streamlined regulation
- Ability to redeploy attributable NHSE/NHSI staff and funding

In parallel, there will also be a Memorandum of Understanding (MOU) covering the whole of Lancashire and South Cumbria, which will encompass a similar set of deliverables, to enable us to align our strategy effectively. This MOU will be established between NHSE/I and the STP Board.

The diagram shows the proposed new governance structure. Where formal, collective commissioning decisions are required, following the necessary development work in Local Delivery Partnerships (LDPs) and STP workstreams, they will be identified by the STP Board and referred to the Joint Committee of Clinical Commissioning Groups (JCCCGs), once CCGs have delegated the necessary decision-making powers.

Proposed new STP Governance arrangements



Whole system focused on sustainability; transformation; design of future state

Proposed new STP Governance arrangements

Group	Role	Reporting relationship
STP Board	Leadership and development of overarching strategy for L&SC Oversight and facilitation of delivery of sustainability, transformation and design of future state, including triple aims Owns MOU - delivery assurance	Direct to NHSE & NHSI through STP AO Direct to each LDP Board
JCCCGs	Commissioning strategy approval Scrutiny/assures legality of involvement and consultative processes Delegated decisions	CCG GBs L&SC Health & Well being Board(s)
Partnership Board	Statutory and voluntary stakeholder engagement Socialising work-stream outputs and processes	STP Board - advisory
Programme Management Group	Engine room for STP/ensures programme delivery Oversight of delivery in all STP work-streams LDP programme oversight	STP Board - advisory
Care Professionals Board (CPB)	Clinical assurance on work-stream outputs Assurance on clinical viability of plans	STP Board - advisory
Finance & Investment Group (FIG)	Economic assurance on work-stream outputs Assurance on financial viability of plans Assurance on estates strategy	STP Board - advisory
Provider Board	Assurance on operational feasibility of plans Leadership of collective Carter sustainability programmes	STP Board - advisory
Collaborative Commissioning Board	Oversight of collective QIPP sustainability programmes Oversight of clinical policy & meds management development Assurance on commissioning feasibility of plans	STP Board - advisory

Proposed new STP Governance arrangements

3. Role of the STP Board

The STP Board is not a statutory entity, but will be required to ensure delivery of the aims and objectives of the partnership. The STP Board can enable, coordinate and mandate deliverables – but it has no formal decision-making powers beyond what each statutory partner is able to bring to the Board, as they seek to align existing strategies and resources.

The STP Board will make recommendations on prioritisation of capital and revenue transformation funds, as well as being the single point for system-wide performance appraisal and management. NHSE/I will align their functions with the STP so that the existing regulator/organisational relationships can be developed on a system wide basis.

The composition of the STP Board is currently planned as follows:

- An executive lead from each of the LDPs/ACS (LDP heads)
- Up to five non-executive/lay members (NEDs) drawn from CCGs and FTs/NHS Trusts
- A councillor representative from each of the four upper tier local authorities (LA reps)
- The STP lead and other, interim, STP executives, including officers of NHSE and NHSI
- A primary care provider representative
- STP Medical Director
- Other officers and/or observers in attendance, as required

Members of the Board will be expected to lead and deliver the aims and objectives of the STP and use their respective experience and perspectives to ensure delivery as a whole system. They are not there to represent their respective organisations or indeed LDPs. The local authority and primary care members bring the perspective of their constituencies, but will nevertheless also be expected to promote the STP's aims.

Draft terms of reference are attached to be approved by the STP Board at its first meeting.

4. JCCCGs

The statutory basis of commissioning decisions and the formal requirements of large decisions requiring consultation must be discharged by commissioners. In L&SC the JCCCGs is the means by which L&SC-wide commissioning decisions will be made. The JCCCGs has a substantial interest in the adequacy and integrity of planning and related developmental processes that could lead to formal consultation and therefore has a legitimate and important role in scrutinising and assuring the work of the STP Board in relation to the commissioning part of the agenda.

With the advent of the STP Board there is a need to develop a strong and effective relationship between this and the JCCCGs over the next six months, as the STP Board becomes operational.

Proposed new STP Governance arrangements

5. Programme Management Group

This is a management group comprising of Senior Responsible Officers for the policy and enabling workstreams, LDP programme directors and STP executives. Its job is to ensure that the programme of work for the STP is delivered in line with the expectations of the STP Board. It will essentially be the 'engine room' of the STP.

6. Partnership Board (Previously the Programme Board)

The existing Programme Board will become a Partnership Board and will oversee transformation, whilst ensuring that a wide range of stakeholders and partners across the system are connected with developments and progress with delivery of STP/national priorities.

7. Statutory scrutiny and partnership arrangements

The current roles of the Overview and Scrutiny Committees and Health and Well-being Boards do not change. Both the STP Board and the JCCCGs are expected to have a strong relationship with these bodies.

It is proposed that these arrangements are reviewed during March 2018.

8. Next steps for Governing Bodies and Boards

Governing Bodies and Boards are asked to support the establishment of the STP Board for Lancashire and South Cumbria, in line with the explanatory information contained in this report. They are also asked to note that the other aspects of the governance arrangements already exist and the terms of reference for the various groups will need to be refined over time as and when the STP Board becomes fully operational.

9. Recommendations

All partners are asked to support a revised Governance structure for Lancashire and South Cumbria STP.

Proposed new STP Governance arrangements

Appendix 1 - Summary draft terms of reference for the STP Board

Scope

1. Leadership and oversight of arrangements to deliver the aims and objectives of the partnership- the triple aims of improvements in population health and well-being and improved services within the resources available to the partner organisations.
2. Enabler of effective whole system working among the partner organisations.
3. Jointly with NHSE and NHSI, support partners in the on-going delivery of the NHS Constitution standards and five year forward view (FYFV)

Aims

4. The aims of the Partnership are to:
 - Foster and enable effective collaborative working among partner organisations across L&SC to achieve the triple aims of improved population health and better services delivered within the available resources
 - Ensure that the legal, consultative and equality requirements associated with strategic change are effectively discharged with local stakeholders and populations
 - Act as the catalyst and coordinator for innovation and change across health and care services to better meet the needs of our population
 - Develop strategic plans and ensure coordination of clinical and managerial leadership activities
 - Be the focus of accountability processes in relation to whole health and social care system performance and financial management

Objectives

5. The objectives of the Partnership are to:
 - Improve the health of our population, with a strong focus on prevention and self-care
 - Improve the clinical and social effectiveness of services focused on patient outcomes, effective use of resources and value for money
 - Improve the efficiency of existing services so that resources can be released to fund service developments
 - To increase the proportion of health expenditure on services delivered outside of hospital to support people better to manage their long term conditions in a community setting
 - Develop proposals for and implement an Integrated (Health and Care) Strategic Commissioning (ISC) function
 - Facilitate and support the development, within Local Delivery Partnership areas (LDPs), of Accountable Care Systems that are able to deliver effective and efficient integrated care services and ensuring that, in the first instance, Blackpool and the Fylde Coast delivers in line with national requirements and timescales
 - Integrate performance assessment processes across commissioners and providers in health and care services to enable them to be held responsible for delivery of the sustainability and transformation agenda

Proposed new STP Governance arrangements

Responsibilities/powers

6. The STP Board has no statutory or formal regulatory powers, but it has been established to ensure that the collaborative working required to achieve the aims and objectives of the Sustainability and Transformation Partnership, is effectively discharged by all organisations. In particular, the STP Board will ensure that the performance aspects of the sustainability agenda are met, that LDPs implement their aspirations with respect to becoming Accountable Care Systems and that the Lancashire and South Cumbria-wide transformation programme is well-designed and effectively delivered.
7. Alignment of NHSE and NHSI functions with STP aims and objectives enables the development of whole system assessment processes led by the STP Board and involving Local Delivery Partnerships/Accountable Care Systems (LDPs/ACSs). The requirement placed on organisations within LDPs/ACS is that they begin the journey to join up provider and commissioning functions amenable to incorporation into ACSs and contribute to STP-wide workstream developments. They will ensure that local perspectives influence strategy and policy development, to reflect the full diversity of services across Lancashire and South Cumbria.
8. The STP Board will hold LDPs/ACS accountable for delivery of wider system responsibilities and in partnership with NHSE/I, will support delivery of existing responsibilities for which organisations are formally accountable.
9. The Board will approve the programme of work designed to achieve the aims and objectives of the Partnership and approve mitigation or other corrective action to ensure that milestones and objectives are achieved on time.
10. Ensure that the interface with the Joint Committee of CCGs is constructive and effective, recognising that the Joint Committee is responsible for and has the legal powers to make decisions on changes to services.
11. The Board will also consider and assess, on an on-going basis, the effectiveness of collaborative working in LDPs/ACS and STP overall and recommend action to achieve improvements, if required.
12. The Board will adopt escalation criteria/triggers being developed by NHSE and NHSI for those situations where it has become clear that formal intervention by NHSE or NHSI is required within an individual organisation.
13. The Board will ensure that the resources required for the whole programme of STP work are sufficient and are applied effectively to achieve the STP's aims and objectives.

Proposed new STP Governance arrangements

Meetings

14. The Board will meet on a monthly basis to consider progress in the implementation of the STP's aims and objectives and approve any mitigation measures and other action required to assure success, in line with the approved programme.
15. Information relating to the following main processes will inform the Board as and when it is necessary and available, having regard to the timetable and milestones of the STP programme:
 - Development of Lancashire and South Cumbria-wide strategy and policy as currently planned within the policy and enabler workstreams
 - Development of options/option appraisal for proposals to implement STP strategy
 - Development of the programme of work to support a legally compliant public consultation process where it is required
 - Support proposals for FYFV delivery plans/assurance of the same
 - Delivery of NHS Constitution standards in each LDP/ACS
 - Delivery of performance and financial targets in each LDP/ACS
 - Assessment of strategic Risks, Assumptions, Issues and Dependencies (RAID) in relation to the effectiveness of collaborative/system working and development of proposals to mitigate them as part of the Board Assurance process
16. A Register of Interests will be maintained for the Board and any conflicts of interest managed at each and every meeting in relation to the agenda.

Membership

17. Membership comprises:
 - The nationally appointed STP lead
 - An executive lead from each LDP/ACS
 - Up to five Non-Executives/Lay Members appointed from among the existing NHS organisations for their experience and knowledge
 - Local authority nominated councillor representatives from each of Lancashire County Council, Cumbria County Council, Blackburn w Darwen Council and Blackpool Council
 - STP executives, including officers from NHSE and NHSI who are part of the STP Executive Team
 - A Primary Care provider professional representative
 - STP Medical Director
 - Other officers in attendance as required
18. All members are expected to uphold and support the vision, aims and objectives of the Partnership and will bring perspectives from their organisations/LDPs, to ensure that Lancashire and South Cumbria-wide strategy and policy reflects the diversity of the region and can be implemented within each of the different parts of the STP.
19. The STP lead is responsible for the effectiveness of the STP Board.

Proposed new STP Governance arrangements

Quorum

20. The STP Board will be quorate when more than half of the membership is present including at least one from each of the following groups

- LDP leads
- Non-executive directors
- Local authority representatives
- STP executives
- Clinicians

21. Decisions will normally be agreed on a consensus basis, but where an individual believes that it is important for there to be a recorded vote and the chairman agrees, a majority decision should be taken by a vote of all the members of the Board present at the meeting.

Review of Terms of Reference

22. These terms of reference will be reviewed and if required amended in March 2018, in line with the developing national and local STP agenda.

Version draft v.02 2 August 2017