

DEVELOPMENT OF THE NORTH WEST SECTOR SHARED SERVICE BOARD

1.0 EXECUTIVE SUMMARY

This paper sets out proposed provider governance arrangements for Shared Services in the North West sector. It is proposed that a single Shared Services Board is established between Bolton NHS Foundation Trust (BFT), Wrightington, Wigan and Leigh NHS FT (WWL) and Salford Royal NHS FT (SRFT).

The Board would oversee and govern shared services established as part of Healthier Together (HT) and through the NW sector programme. The Board would also provide oversight for services which are currently delivered on a bi-lateral basis, including Pathology and Sterile Services (SRFT and WWL) and Sexual Health (BFT and SRFT). The Board would replace and subsume the responsibilities of the existing Shared Services Board between WWL and SRFT.

The three FT Boards are considering this paper in January 2017 and, subject to their approval, the intention is to establish the new Board during Quarter 4.

2.0 Current Arrangements

The NW sector has established effective arrangements for governing the HT programme and supporting the development of a wider set of 'single shared services partnerships'. This is overseen through a Partnership Board, which is comprised of the three Foundations Trusts and the three CCGs. The Three FTs also meet, as a Provider Alliance, to coordinate their input into this work programme.

The three FTs are putting plans in place to develop a single shared service for General Surgery, in response to HT. Given the commissioning intention is to commence the establishment of the new model of care and single shared service by April 2017, there is a significant time pressure to develop appropriate governance arrangements. The other HT in-scope services covering acute and emergency medicine and radiology may also require some form of shared service solution. As part of the broader NW sector discussions, a number of additional priority services have been identified, some of which will need to be delivered on a collaborative or shared basis.

WWL and SRFT currently operate a bi-lateral Shared Services Board for PAWS (Pathology) and SSDU (Sterile Services). This oversees the delivery of both services through relatively detailed monitoring of operational and financial performance.

BFT and SRFT have recently established an integrated Sexual Health services, in response to a tender by sector commissioners. This service is hosted by BFT.

The three FTs have recognised the need to establish dedicated governance arrangements to oversee the operational, financial and clinical performance of all Shared Services across the NW sector, as these become operational.

3.0 Proposed Governance Arrangements

The intention is that Shared Services in the NW sector will be operated as a Joint Venture, either between all three parties or where applicable on a bi-lateral basis. The default legal vehicle is assumed to be a 'Joint Arrangement that is Not an Entity' (as opposed to a free-standing, a Body Corporate JV).

The rationale for the development of the new NW sector Shared Services Board is to provide a single governance arrangement that incorporates existing shared services, the HT programme of single service models and also any future shared services that arise from either Greater Manchester and/or NW sector discussions.

Appendix 1 summarises the proposed approach, which is to establish a new NW sector Shared Services Board that will manage existing and agreed future shared services, replacing and subsuming the responsibilities of the existing shared services board between WWL and SRFT.

4.0 Purpose, Role and Responsibilities of the NW Sector Shared Services Board

The purpose of the NW sector Shared Services Board is to ensure the effective delivery and development of high quality, safe and clinically and financially sustainable shared services, that best meet the needs of the population of the North West sector.

It is proposed that the new Board has the following role and responsibilities:

- Oversee operational and financial performance across the agreed shared services portfolio.
- Review operational issues that require the consideration of the Board on exception basis.
- Promote best practice, share learning, support and promote innovation and new models of care.
- Act as an initial point escalation for dispute resolution on individual shared services.
- Manage agreed additions to the shared services portfolio.
- Advise on investment requirements related to in-scope services.
- Ensure marketing activity and business development opportunities (tenders) for in-scope services are both optimised.
- Ensure that shared workforce considerations are addressed for all in-scope services.
- Address all future governance requirements for in-scope services.
- Consider and recommend the inclusion of additional services to the shared services portfolio and advise on the future configuration of services.

The intention is that the Shared Services Board will provide a forum to oversee shared services that are delivered on both a tri-partite and bi-lateral basis. It is proposed that Board is initially constituted with the following membership:

- 3 Non-Executive Directors (one from each Trust, with a Chairman that rotates being the three members).
- 3 Directors of Strategy (one from each Trust).
- 3 Director of Operations (one from each Trust).
- 3 Director of Finance (one from each Trust).
- 3 Medical Directors (one for each Trust).
- Programme Director from NW sector programme office (in attendance).
- Operational leads to attend as necessary.

It is expected that over time, the number of members will reduce, such that to be quorate each organisation and each discipline would be represented.

The intention is that the Board will meet at least quarterly.

The Board will be supported by Operational Groups that focus on delivery and performance in each specific Shared Service. Membership of each Operational Group will vary dependent on the nature of the service and whether this is delivered on a tri-partite or bi-lateral basis. Operational Groups will report to the Shared Service Board through a standard reporting framework covering finance, activity and workforce metrics. It is proposed that the Operational Groups will meet quarterly (as a minimum).

Draft Terms of Reference for the Shared Services Board are set out at **Appendix 2**. Subject to approval of this paper and the Terms of Reference for the Shared Services Board, generic Terms of Reference will be established for the Operational Groups.

5.0 Scope of Shared Services and Future Development

The proposed scope of services that will be governed by the NW sector Shared Services Board is as follows:

- General Surgery (tri-partite).
- PAWS (currently SRFT and WWL only)
- SSDU (currently SRFT and WWL only)
- Sexual Health (BFT and SRFT)

It may be that the other HT in-scope services (acute and emergency medicine and radiology) would benefit from the establishment of some form of shared service solution though this has not yet been recommended by the existing working groups.

In addition to the above, it is clear that, in the medium term, a wider portfolio of shared services is likely to be developed by the three FTs. **Appendix 3** summarises the areas

currently being progressed. It is proposed that that the following principles underpin the development of each shared service:

- Each shared service arrangement will be described in a Service Level Agreement (SLA) between the relevant parties and such agreements will require formal approval by the relevant organisations.
- Operational SLAs may be between two of the three parties. It will only be the parties to each SLA that have decision making powers for that specific service.
- Lead provider or collaborative delivery arrangements will be identified for each service, however irrespective of the delivery arrangement each service will adhere to the shared principles in this paper.
- Each shared service will be delivered on the basis of shared risk and benefits.
- Transparent metrics on operational and financial performance will be agreed and introduced.
- Key investment decisions and material changes in the market require unanimous agreement of all relevant parties.

Although the Shared Services Board may recommend the inclusion of additional services to the shared services portfolio, the expansion of scope will be a 'reserved matter', requiring separate and independent approval by each of the FTs. Similarly, whilst the Shared Services Board will advise on the future configuration of services and seek to secure consensus, such decisions will be reserved to the constituent Boards of the relevant organisations.

6.0 Approvals Process and Recommendations

The proposed governance arrangements were reviewed by the Provider Alliance Steering Group and WWL and SRFT's existing Shared Services Board in December, with both committees supporting the recommendation to establish a single Shared Services Board for the NW sector. All three FT Boards were also briefed in December.

The **Board of Directors of BFT, SRFT and WWL** are asked to support the following recommendations:

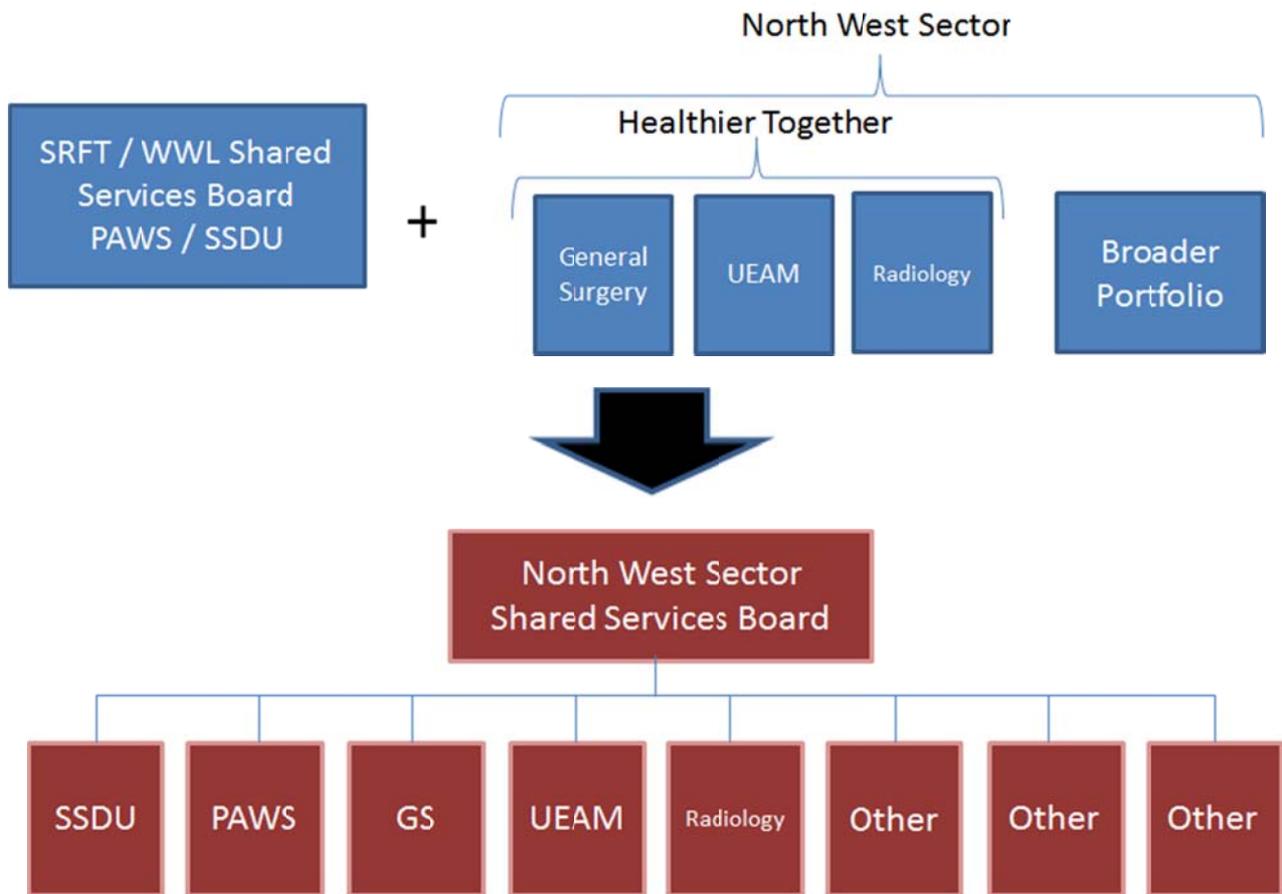
- Support the establishment of a North West Sector Shared Services Board
- Approve the proposed draft Terms of Reference, set out at Appendix 2, delegating authority to the Chief Executive and Director of Strategy to finalise the Terms of Reference subject to address any feedback from the three Boards

In addition, **the Board of Directors of SRFT and WWL** are asked to support the following recommendation:

- Approve the dis-establishment of the existing Shared Services Board (for SSDU and PAWS).

Subject to the approval of all three FT Boards, the intention is to establish these new governance arrangements during Quarter 4.

Current and proposed model for the Shared Services Board



**North West Sector Shared Services Board:
Terms of Reference (January 2017)**

| | |
|---------------------------------|--|
| Committee | North West Sector Shared Services Board |
| Reports to | The Board of Directors of Bolton NHS Foundation Trust (BFT), Salford Royal NHS Foundation Trust (SRFT), and Wrightington, Wigan & Leigh NHS Foundation Trust (WWL). |
| Constitution | The three Boards (BFT, SRFT and WWL) hereby resolve to establish a Committee of the Boards to be known as the North West Sector Shared Services Board. The Board is a committee of the Boards of the three Trusts (collectively referred to as the parties). It has no executive powers other than those specifically delegated in these Terms of Reference. |
| Authority | The Shared Services Board is authorised to investigate any activity within its Terms of Reference. It is authorised to seek any relevant information it requires from any employee and all employees are directed to cooperate with any request made by the Shared Services Board. The Shared Services Board is authorised to obtain outside legal or other independent professional advice and to secure the attendance of external advisors with relevant experience and expertise if it considers this necessary. |
| Scope of Shared Services | <p>The following services will be overseen by the Shared Services Board:</p> <ul style="list-style-type: none"> • General Surgery (BFT, SRFT and WWL). • PAWS (SRFT and WWL) • SSDU (SRFT and WWL) • Sexual Health (BFT and SRFT) <p>Consideration will be given to establishing additional Shared Services, including (but not limited to) for the other in-scope Healthier Together services (acute and emergency medicine and radiology).</p> |
| Purpose | Ensure the effective delivery and development of high quality, safe and clinically and financially sustainable shared services, that best meet the needs of the population of the North West sector. |

| | |
|---|--|
| <p>Role and Responsibilities</p> | <ul style="list-style-type: none"> • Oversee operational and financial performance across the agreed shared services portfolio. • Review operational issues that require the consideration of the Board on exception basis. • Promote best practice, share learning, support and promote innovation and new models of care. • Act as an initial point escalation for dispute resolution on individual shared services. • Manage agreed additions to the shared services portfolio. • Advise on investment requirements related to in-scope services. • Ensure marketing activity and business development opportunities (tenders) for in-scope services are both optimised. • Ensure that shared workforce considerations are addressed for all in-scope services. • Address all future governance requirements for in-scope services. • Consider and recommend the inclusion of additional services to the shared services portfolio and advise on the future configuration of services. |
| <p>Collaborative Behaviours</p> | <p>The parties commit to working together in best interests of the shared population, recognising the need for effective and timely decision-making. The parties will work in accordance with the following collaborative behaviours which have been established as part of the North West sector Partnership Memorandum of Agreement:</p> <ul style="list-style-type: none"> • Collective – We commit to working together in partnership, building trust and strong cohesive relationships across the sector. As equal partners we will work together to reach a consensus and then take action collectively on the decisions we make. • Participation – We take seriously the partnership commitments that we have made and we actively promote these within each organisation and across the sector / outside the sector. We will work to educating our staff on the commitments we have made and the collaborative behaviours that are required and will tackle people that don't act collaboratively. • Persistence – We will uphold the principles of collective endeavour and the commitments that we have made to each other, acting in the best interests of the population we serve whilst striving to deliver the statutory and regulatory imperatives faced by each organisation. • Transparency – We will strive to communicate in a way that people can understand. All key debates will be held openly involving the entire group with fact-based information available. We will ensure that all content is kept within the partnership and easily accessible to all members. • Independence – We will ensure that 'group-think' does not emerge and that people are thinking for themselves; that constructive challenge is an important part of ensuring safe informed decisions. • Emergence – We will need to remember that the purpose of our collaboration is to achieve our collective goals and objective. To do that we need to have clear goals and objectives agreed by all. |

| | |
|---|--|
| Membership | <p>The Board will be constituted with the following membership:</p> <ul style="list-style-type: none"> • 3 Non-Executive Directors (one from each Trust). • 3 Directors of Strategy (one from each Trust). • 3 Director of Operations (one from each Trust). • 3 Director of Finance (one from each Trust). • 3 Medical Directors (one for each Trust). • Programme Director from North West sector programme office (in attendance). • Operational leads to attend as necessary. <p>It is expected that over time, the number of members will reduce, such that to be quorate each organisation and each discipline would be represented.</p> |
| Chairperson and Board Secretary | <p>A chairperson (Non Executive) shall be appointed from one of three organisations. This responsibility will rotate between the three Trusts on an annual basis. A Secretary to the Shared Services Board shall be appointed by the Trust providing the Chairperson. This responsibility will also rotate on an annual basis.</p> |
| Meeting and Attendance Frequency | <p>The Shared Services Board will meet at least four times per annum (unless otherwise agreed by its members) and from time to time as necessary. Any member of the Shared Services Board can convene a meeting at any time.</p> <p>Meetings of the Board shall be convened on not less than ten business days' notice, provided that if a matter is urgent a meeting may be called at any time on such notice as may be reasonable in the circumstances.</p> <p>Where the Shared Services Board decides it is appropriate, meetings may also be held by telephone or other form of telecommunication, by which each participant can hear and speak to all other participants at the same time.</p> <p>Minutes of all recommendations and meetings of the Board shall be circulated promptly to all parties within five business days of the making of the recommendation or the holding of the meeting.</p> |
| Definition of Quorum | <p>The quorum of the Shared Services Board shall be six and must include two representatives from each Trust.</p> <p>If a quorum is not present within half an hour from the time appointed for the meeting, then the meeting shall stand adjourned to the same day in the next week at the same time and place or such other time and place as the Board may determine. If at the adjourned meeting, a quorum is not present within half an hour from the appointed time of the meeting, such adjourned meeting shall be dissolved.</p> |
| Operational Groups | <p>An Operational Group will be established for each Shared Services, which shall report to the Shared Services Board.</p> |

| | |
|--|---|
| <p>Restrictions & Reserved and Excepted Matters</p> | <p>The responsibilities and operational decision-making authority for each Shared Service will be set out in a standard Service Level Agreement (SLA). Each Shared Service will report to the Shared Service Board through a standard reporting framework covering finance, activity and workforce metrics.</p> <p>Subject to the provisions below, the Shared Services Board will have responsibility for the overall oversight and governance of each Shared Service and will have decision making authority in relation to the management of the service and the operation of the relevant SLA.</p> <p>The Trust Boards of each party will have joint responsibility in respect of any excepted matters set out below.</p> <p><u>Restrictions</u></p> <p>The lead for each Shared Service must:</p> <ul style="list-style-type: none"> • Obtain the prior approval of the Shared Services Board before taking any decision or making any proposal in relation to any of the reserved matters set out below; and • Obtain the prior consent of the relevant Trust Boards before taking any decision or making any proposal in relation to any of the excepted matters set out below. <p><u>Reserved Matters</u></p> <p>The following are deemed to be reserved matters, requiring the approval of the Shared Services Board:</p> <ul style="list-style-type: none"> • Approval of the business plan, annual budget and cost improvement programme for each Shared Service. • Capital investment up to a value of £25,000. <p><u>Excepted Matters</u></p> <p>The following are deemed to be excepted matters, requiring the approval of each Trust Board (or the relevant Trusts Boards, for services delivered on a bi-lateral rather than tri-partite basis):</p> <ul style="list-style-type: none"> • Approval of each Shared Service SLA. • Capital investment exceeding £25,000. • Reconfiguration of Shared Services within the sector. • Termination of the Shared Service SLA and dissolution of the associated joint delivery arrangements. • Inclusion of additional services to the shared services portfolio. <p>The list of reserved matters and / or excepted matters set out above may be amended or extended at any time by written agreement of the parties.</p> |
| <p>Review and monitoring of the Board</p> | <p>On an annual basis, the Shared Services Board will review its own effectiveness. This will include the operational and financial performance of existing services and the development of additional services within the shared services portfolio. The Terms of Reference of the Board will be reviewed after twelve months and thereafter periodically.</p> |

Potential Future Single Services

In September 2016, Strategy Leads from provider organisations in the North West Sector convened to develop a sequence and short list of specialty domains to progress through the NWS Partnership (see below).

Work on Wave 1 commenced in September 2016, and is due to report to the Provider Alliance Steering Group on 3rd January 2017 and subsequently to the North West Sector Partnership Board on 10th January 2017.

