Devon STP memorandum of understanding for governance
This memorandum of understanding is made on 16th December 2016

1. Parties

The parties to this MoU are the following NHS commissioners and providers, local authorities and regulators in the Devon STP footprint:

North East and West Devon CCG
South Devon and Torbay CCG

Devon County Council
Plymouth City Council
Torbay Council

Devon Partnership NHS Trust
Livewell Southwest
Northern Devon Healthcare NHS Trust
Plymouth Hospitals NHS Trust
Royal Devon and Exeter NHS Foundation Trust
Torbay and South Devon NHS Foundation Trust

NHS England
NHS Improvement

2. Background

2.1 NHS Shared Planning Guidance for 2016/17 – 2020/21 asked every local health and care system to come together to create their own Sustainability and Transformation Plan (STP) for accelerating the implementation of the Five Year Forward View (FYFV).

2.2 The Devon footprint was identified as one of the STP footprint areas in which people and organisations will work together to develop robust plans to transform the way that health and care is planned and delivered for their populations.

2.3 The Parties have agreed to work together to enable transformative change and the implementation of the FYFV vision of better health and wellbeing, improved quality of care, and stronger NHS finance and efficiency.

2.4 The Parties have agreed and submitted their STP in the current form as set out in Schedule 1 but agree that it is a living document that may be varied and updated from time to time.

3. Objective and Intent

3.1 The Objective of this MoU is to provide a mechanism for securing the Parties' agreement and commitment to sustained engagement with and delivery of the STP to realise a transformed model of care in Devon.

3.2 The intent of this agreement is to bind the parties to the common purpose of delivering a clinically, socially and financially sustainable health and care system that will improve the health and wellbeing of the population and address inequalities. This requires the Parties to recognise the scale of change required and that its impact may be differential on the Parties. The partnering statement is included within Schedule 4.

4. Obligations

4.1 The Parties agree to work collectively to establish the detailed plans and organisational impacts that will achieve the Objectives and Intent. These will incorporate finance, activity and workforce as a minimum, and will be set out in an annual system plan in a format to be agreed.

4.2 The Parties agree that they will comply with the annual system plans that move the system incrementally towards the Objectives and Intent according to such pace of change as agreed at Finance Working Group (FWG), and set out in the summary system plan, and contracted for periodically as required by regulators.

5. Benefits

5.1 The Parties shall realise the benefits of working collectively by receiving system and regulator support to manage in-year and longer term risks as a whole system, supported by the Parties individually and collectively to the extent that no organisation is deemed to fail individually. Regulator interventions will be aligned to this benefit in order that all parts of the system can release maximum resources to delivery of the intent.

6. Leadership

6.1 Angela Pedder has been designated the STP Leader within the Devon footprint.

6.2 The STP Leader's role and remit are set out in Schedule 2.

6.3 The designated STP Leader may change from time to time in accordance with such process as may be agreed by the Programme Delivery Executive Group (PDEG).

7. Duration of the MoU

7.1 This MoU will take effect on the date it is signed by all Parties.

7.2 The Parties expect the duration of the MoU to be for the period of 2016-2021 in line with the duration of the STP or otherwise until its termination in accordance with Clause 13.

8. Agreed principles

The Parties have agreed to work together in a constructive and open manner in accordance with the agreed principles for ways of working and culture set out in Schedule 3 to achieve the Objective and Intent.

9. Effect of the MoU

9.1 This MoU does not and is not intended to give rise to legally binding commitments between the Parties.
9.2 The MoU does not and is not intended to affect each Party's individual accountability as an independent organisation.

9.3 Despite the lack of legal obligation imposed by this MoU, the Parties:

9.3.1 have given proper consideration to the terms set out in this MoU; and

9.3.2 agree to act in good faith to meet the requirements of the MoU.

10. Governance

10.1 The Parties have agreed to establish PDEG to co-ordinate achievement of the Objective and Intent.

10.2 The Parties have agreed Terms of Reference of PDEG in the form set out in Schedule 4. Terms of Reference describe arrangements for aligned decision making of the Parties which they agree is necessary to achieve the Objective and Intent.

10.3 Each Party will nominate a representative to PDEG and notify the STP Leader of his or her name and a deputy who is authorised to attend for him or her in his or her absence.

10.4 The Parties agree that PDEG will be responsible for co-ordinating the arrangements set out in this MoU and providing overview and drive for the STP.

10.5 PDEG will meet at least monthly or as otherwise may be required to meet the requirements of the STP.

10.6 PDEG does not have any authority to make binding decisions on behalf of the Parties. Collective decisions agreed at PDEG will require ratification by each Party's unitary Board or equivalent.

11. Subsidiarity

11.1 The Parties acknowledge and respect the importance of subsidiarity.

11.2 The Parties agree for the need for many decisions to be made as close as possible to the people affected by them.

12. Risk management and assurance

Whilst agreed system principles apply to all parties as set out in schedule 3, detailed risk management arrangements differ for the constituent parts of the system at the time of setting out this MoU. Risk management arrangements for the NEW Devon Health part of the system are set out in Schedule 7. Risk management arrangements between Plymouth City Council and the relevant part of the NEW Devon system are set out in the section 75 agreement. Risk management arrangements between Devon County Council and the

relevant parts of the NEW Devon system are set out in the section 75 agreement. Risk management arrangements for the South Devon and Torbay part of the system are set out in their contract which also incorporate the relationship with Torbay Council.

13. Resources

13.1 The Parties have agreed to commit their own resources to achieve the Objective in accordance with the arrangements set out in Schedule 5.

13.2 The Parties have further agreed the arrangements set out in Schedule 6 for engaging external resource and advice.

14. Openness and transparency

14.1 The Parties agree that they will work openly and transparently with each other and with other stakeholders including non-executive directors, governors and councillors of the Parties and other local health and care organisations.

14.2 PDEG will receive plans that demonstrate each Party's compliance with their duties of public involvement to the extent that these may impact on any other party to this agreement, or be enhanced by the involvement of one or more of the Parties. If there is any ambiguity as to whether PDEG may require these plans then this should be discussed with the STP leader.

15. Termination

Any Party may withdraw from this agreement at any time. In doing so they recognise that they will cease to benefit from any collective agreement or treatment established whilst acting under the agreement.

This agreement is intended to last for the life of the STP (currently March 2021), but this collective commitment will be reviewed at least annually to ensure that it remains fit for purpose and meets the needs of the Parties. The Parties will agree whether to extend or amend this arrangement according to prevailing circumstances.

16. Dispute resolution

16.1 The Parties will attempt to resolve any dispute between them in respect of this MoU by negotiation in good faith.

16.2 Where the Parties are unable to agree, proposals for dispute resolution will be set out by the STP lead according to the circumstances of the dispute, such that any mediation/arbitration is conducted by one or more of the Parties neutral to the dispute. This may require recourse to external expertise, and where this is the case this will be procured in accordance with Schedule 6. Some example scenarios and the suggested resolution processes are set out in schedule 8.

17. General provisions

17.1 This MoU will be governed by the laws of England and the courts of England will have exclusive jurisdiction.

17.2 The Parties agree that this MoU may be varied only with the written agreement of all the Parties.

Signed by the parties or their duly authorised representatives on the date set out above.

Signed by duly authorised for and on behalf of)
[PARTY 1])

Signed by duly authorised for and on behalf of)
[PARTY 2])

Janet Fitzgerald **Chief Officer, NEW Devon CCG**	**Nick Roberts** **Chief Executive, South Devon & Torbay CCG**	**Angela Pedder** **Lead Chief Executive, Your Future Care (Success Regime) & STP**
Suzanne Tracey **Chief Executive, Royal Devon & Exeter Foundation Trust**	**Ann James** **Chief Executive, Plymouth Hospitals NHS Trust**	**Alison Diamond** **Chief Executive, Northern Devon Healthcare Trust**
Mairead McAlinden **Chief Executive, Torbay & South Devon NHS Foundation Trust**	**Steve Waite** **Chief Executive, Livewell Southwest**	**Melanie Walker** **Chief Executive, Devon Partnership Trust**
[Insert Name, Insert Role], **Devon County Council**	**[Insert Name, Insert Role],** **Torbay Council**	**[Insert Name, Insert Role],** **Plymouth City Council**
[Insert Name, Insert Role], **NHS England**	**[Insert Name, Insert Role],** **NHS Improvement**	

(Subject to Board ratification)

Schedule 1 – Latest STP Submission

Schedule Two – Role and Remit of STP Leader

Lead Chief Executive - Plymouth and Devon
Role description and person specification

1 Introduction

The Devon Success Regime is a momentous and rare opportunity to redefine the future of health and social care. As only one of three Success Regimes to be announced nationally there is a collective responsibility to transform care and build delivery and confidence through collaborative effort. Increasingly effective performance management will only take us so far on that journey but linking the discipline and analysis with innovation, courage and a leadership model which dares to innovate together will deliver the prize for future generations - services which meet the needs of local populations which are of outstanding quality, financially and clinically sustainable.

The 5 NHS bodies that are directly accountable through the Success Regime, Devon Partnership NHS Trust, NEW Devon CCG, Northern Devon Healthcare NHS Trust, Plymouth Hospitals NHS Trust and Royal Devon & Exeter NHS Foundation Trust, and with the support of Plymouth City Council and Devon County Council have identified an essential role to support the local leadership and health social care systems - a Lead Chief Executive. The unanimous local nomination of such a role is just one example, but a fundamental signal of our collective commitment, to be greater than the sum of our parts and take this opportunity to reframe health and care services which is now so pressing for our local populations.

2 What behaviours will the Lead Chief Executive need to demonstrate?

The Lead Chief Executive and indeed all leaders across the NHS in Devon pledge to be system leaders and advocates for the population as a priority to the interests of their own organisations. In pursuit of the inclusive development and confident delivery of the transformation plans for the Success Regime, the Lead Chief Executive will need to be:

- organisationally neutral, system leadership focused
- open, frank and constructive, building good relationships with colleagues and between colleagues
- engaging of all stakeholders, partners and the public to build a momentum for constructive challenge, constructive dialogue, engagement and consultation
- committed to build on the positive experiences and services across the patch while pursuing the adoption of best practice and outcomes for all to meet the scale of the challenge faced
- act and be regarded as fair, balanced and inclusive

- be an honest broker and mandated by colleague Chief Executives to support and constructively challenge other leaders and Boards to reframe their leadership style and language if necessary to secure the agreed goals of the Success Regime

- able to unequivocally explore, through openness and transparency, areas of conflicting views or perceived vested interests of any of the parties.

- appreciate and integrate the differing requirements, governance and accountabilities involved in the Success Regime

- Coach all to secure the best of the opportunities the Success Regime affords Devon health and social care while respecting and honouring the extant statutory roles of each organisation and their respective Chair and Chief Executive's

- able to use the expertise and experience of all to provide insight in to those areas the individual may have less personal experience of for example primary care provision, specialist mental health as just 2 examples

- open to feedback - all leaders across the Success Regime commit to undergo a 360 degree appraisal every quarter – based on style, behaviours and impact to deliver the objectives agreed.

- work effectively and be accountable to an Independent Chair and through a "Collaborative Board" of CEOS/ALBs and Chairs.

- Demonstrate courage, energy and up most integrity

3 What are the requirements of the Lead Chief Executive?

This role will require an individual who has the confidence, and therefore the mandate of fellow Chair/Chief Executive colleagues with the following attributes:

- An experienced and successful executive leader
- Specifically understands the regulatory arenas and the complexity of health and social care provision
- having a national reputation and experience of working on Boards
- a wide range of experience at a national level
- an efficient, effective, person centred and future focused experienced coach of very senior individuals
- corporate track record of succeeding in a highly challenging environment where tenacity, resilience and humility have been key ingredients for success.
- Able to rapidly build confidence of the ALBs to successfully deliver the emergent case for change. *Credibly balances the local effort of best people while engaging external capacity to really drive a new way of working.*
- Visible to stakeholders to secure their engagement and offer solutions for future models of care

- Able to facilitate and resolve potential material issues of difference in terms of governance and pace of delivery
- A confident public and media spokesperson
- Fluent in the new models of care, national developments, integrated care and the potential for devolution deals across a wide and dispersed geographical patch
- Demonstrable experience of managing local delivery and change under intense national political and media interest

4 What is the role of the Lead Chief Executive

- Lead the development and delivery of one system, one plan and one control total. This would be a compelling platform from which to build at pace and scale taking forward the case for change for transformation, securing sustainability and new models of care within an ambitious timescale.
- Design, lead and drive the overall Success Regime Programme. This would include working with all stakeholders and NHS bodies to maximise our local potential for all systems to deliver excellence, improved health and well-being for populations and communities and integrated and improved care for people.
- In leading the programme exemplar engagement and consultation would be integral to the major programme of system transformation, system engagement and redesign for a sustainable future.
- The Lead CEO would develop the Case for Change into a compelling plan working with the statutory roles of organisations e.g. CCGs. Agree, with engagement from stakeholders, consultation, when appropriate, public engagement and implementation. This requires careful navigation and negotiation in relation to statutory governance, legal frameworks and forging new rules with ALBs for new models of care and organisational forms as well as with other statutory bodies. This should be primarily about reinforcing the current statutory roles of organisations whilst also filling the current gap in leading system transformation, locally effective plans for sustainability and the Success Regime.
- The lead accountability and point of contact for the Arms Length Bodies to secure the confidence and programme for delivery of the Success Regime in phases 2 and 3. This would include the line management of the current Programme Director role and central programme office functions. In addition remaining CEOs who take on a SR lead role for example Carter, Continuing Care, Dementia and Elective Care would report directly to the Lead CEO.
- The Lead CEO would work with the appointed Programme Director to develop the resource requirements for transition and transformation for submission nationally and to secure any ongoing external capacity and capability to maximise the successful delivery of the developed case for change.
- The external resource requirements would complement the establishment of our local capacity and capability ‘our best people’. This will be a fundamental focus to get the local knowledge expertise resourced and external capacity and capability.

- The One System Devon and Plymouth Board has no stand-alone statutory basis yet the commitment and confidence in its establishment and leadership needs to be sufficiently robust as to deliver the agreed collective endeavour of the Success Regime. This will require One System Board's leadership to articulate its role on which the collective support is made as being separate from the individual statutory roles and requirements of each organisation represented. As the Success Regime evolves the mechanisms for governance and organisational form will also develop.
- in collaboration with the Independent Chair and partner CEOs and Chairs design and keep under review the overall governance structures for the Success Regime.
- Executive lead for the development for the STPs as required by NHSI and NHS England (January) 2016.

Schedule 3 – Agreed Principles

Partnership Working Agreement

The Programme Delivery Executive Group (PDEG) and Collaborative Board have been established to oversee delivery of the Sustainability and Transformation Plan (STP). These groups comprise a number of organisations working in partnership and have therefore agreed the following framework to support a new way of working. Agreement to these principles is a pre-requisite for membership of PDEG and Collaborative Board.

This agreement is open to organisations with a significant local stake in the health and social care economy in Devon. In addition to committing to the principles and values set out in this agreement, members of PDEG will be either health and social care commissioners responsible for meeting the needs of the population of Devon or providers with a material stake in the health and care economy (defined as a financial relationship with one or more of the commissioners of £50m or greater). The organisations that meet these criteria and eligible for membership subject to signing up to this agreement are set out in appendix 1.

Partnership Values

The Sustainability and Transformation Plan relationship will be based on:

- First and foremost impact on people who uses services and their carers
- Collaborative Leadership & Decision Making
- An inclusive process across the NHS and Local Government
- Engaging clinicians, practitioners, and staff delivering NHS funded care
- Equality between all organisations involved
- Mutual respect and trust
- Open and transparent communications
- Co-operation and consultation
- A commitment to being positive and constructive
- A willingness to work with and learn from others
- A shared commitment to providing effective and efficient services to the population of wider Devon
- A shared commitment to deliver parity between mental and physical health care
- A desire to make the best use of resources across the NHS and local government
- Respect for each organisations statutory sovereignty
- We are committed to ensuring that we behave fairly and justly to all parties irrespective of political affiliation.

Partnership Outcomes

- Service delivery will be quality outcome focussed, prioritising people's care and experience by working towards an improvement in health and well-being and a reduction in health inequality

- All partner organisations share a common vision and values, whilst understanding the scope of their individual obligations to ensure commissioning ambitions, service delivery and intentions of each of the organisation are accounted for
  - The Model of Care within our system will be transformed to achieve a financially and clinically sustainable health and care systems within Devon and beyond
  - Place Based Systems of Care (PLACE) will be the fulcrum of our work programme; we recognise the determinants of PLACE will differ for some services; more specialist services will require larger populations to ensure safe effective and financially sustainable care
  - Primary Care provision will play a key role in the design and delivery of the emergent new models of care, mechanisms to secure the involvement of non-statutory body providers must be developed
  - This is a five year programme; we recognise the design of the transformational new models of care will require extensive engagement and for some emergent models formal consultation will be necessary
  - Our plan will deliver financial and performance improvement from year one
  - The New Models of Care will determine organisational form. We expect new organisational forms will be required to embed and sustain the transformation required, consequently we expect there to be fewer statutory organisations over time both in provision and commissioning
- Within three to five years, the system will move to a position where it does not spend more resources than the resources available to it
- All parties agree that costs may be taken out of the system, which may differentially impact on organisations. This in turn may mean higher costs in short term for individual organisations and the STP Programme will oversee this to ensure unsustainable and unplanned pressures are not created.

Partnership Behaviours

- We agree to work collaboratively at pace to successfully achieve the STP
- We will identify where it is mutually beneficial to share information to advance an evidenced individual and/or system benefit, and to do so on the basis that the information requested is reasonable for the purpose only, and not excessive. Where information is shared, it is agreed that it will be used for the stated purpose only
- We will demonstrate, through our positive and proactive and inclusive manner, a willingness to make the Partnership succeed
- We will communicate openly about major concerns, issues or opportunities
- We will demonstrate transparent communications in terms of delivery of STP plans and notification of any quality or financial organisational concerns, including mitigation planning
- We will share information, experience and resource, to work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost

- We will adhere to statutory powers, requirements and best practice to ensure compliance with applicable laws and standards including those governing procurement, data protection and freedom of information
- We will act in a timely manner and recognise the time-critical nature of judicial review processes, procurement process and any other relevant time-critical process and respond accordingly to requests for support
- We will learn from best practice of partner organisations and seek to develop as a Partnership to achieve the full potential of the relationship
- We will work collaboratively on all aspects of our work seeking to release resource to focus on the transformation and adopt an approach based on doing things once together i.e. one plan for everything we do – trusting others to act on our behalf and on behalf of the system
- We will publish operational plans and performance data including waiting times, sharing strategic plans, headline contract values and CIP plans
- We agree that challenge will be required in the system and parties will on occasion take different views. All parties agree that where possible we will aim to resolve issues of difference between organisations professionally and privately
- We will take care in content and presentations in public, including board reports and in media
- We agree not to take pre-emptive public action, which will cause a public disagreement
- We agree that the right thing to do is to take costs out of system and therefore we will not engage in activities that primarily aim to transfer deficits
- We will require programme leads to be responsible for assuring and mitigating the commercial conflict of involvement in the wider redesign programmes
- We will develop our workforce to enable people to deliver the objectives requested of them from the STP
- We will work together as partner organisations to develop plans for devolution which will support delivery of our shared objectives
- We agree to cascade within our own organisations these values, behaviours and work programmes, leading by example
- We agree to challenge openly when there is a disagreement and use peer review plans to ensure all partners keep with the pace required of the STP.

Partnership Agreement Appendix1: Programme Delivery Executive Group and Collaborative Board eligible organisations

Devon County Council
Devon Partnership Trust
Livewell Southwest
Northern, Eastern and Western Devon Clinical Commissioning Group
Northern Devon Healthcare NHS Trust
Plymouth City Council
Plymouth Hospitals NHS Trust
Royal Devon and Exeter NHS Foundation Trust
South Devon and Torbay Clinical Commissioning Group
South Western Ambulance Service Trust
Torbay and South Devon Hospitals NHS Foundation Trust
Torbay Council

Schedule 4 – PDEG Terms of Reference

Role:

During transition from existing Success Regime/STP architecture supported by Carnall Farrar, PDEG will fulfil two roles, described here as Part One and Part Two. Over time, and as the system becomes more self-sustaining, this agenda is expected to merge to become a single agenda, supported by the system itself.

PDEG is established to act as the forum where decisions made affecting more than one and maybe all member organisations are then ratified by each unitary Board of member organisations following a recommendation agreed at PDEG.

Agenda and Order of Business to be transacted at PDEG

Part One

To provide the overall "Programme Board" function for the system
To propose the strategy for the system for approval by statutory bodies
To provide the system leadership and co-ordination for programmes requiring a system response.

Part Two

To receive assurances from its subordinate groups
To receive assurances from member organisations
To drive delivery within the system, via each attendant CEO
To monitor delivery of the system plan at the strategic level and agree corrective measure proposals from subordinate groups
To delegate tasks to subordinate groups in furtherance of STP objectives
To receive and approve recommendations and/or business cases from sub-committees or member organisations in furtherance of STP objectives

Membership:

All CEOs
System CEO
System DoF/Chair of FWG
System Medical Director/Chair of Clinical Cabinet
System Plan Delivery Group/System Performance Group Chair
Programme Director

In attendance

All Work-stream leads – as required
All other subgroup chairs – as required
Regulators (NHSE and NHSI currently)
CF support team – Part One only

Subordinate Groups:

Finance Working Group (FWG)
Clinical Cabinet
System Plan Delivery Group/System Performance Group
System executive group
System workforce and OD Group

Delegation to subordinate groups

Subordinate groups may only make such decisions without recourse to PDEG as are capable of being made within the delegated powers of the individual members. All system decisions requiring Board/Governing body approval will be referred to PDEG in the form of a recommendation made by the appropriate subordinate group with sufficient information to inform the decision making process. For the avoidance of doubt, where any conflict exists between this statement and the terms of reference of any sub-group, this statement shall prevail.

Chair:

The Group will continue to be chaired by the Independent Chair until such time as the system becomes self-sustaining and formally exits the Success Regime, at which time the chair will be appointed by such process as agreed by PDEG.

Key Agreements to be signed up to by organisations:

Declaration of commitment and accountability

In order that the system may performance manage its-self to achieve its objectives, there is a requirement for organisations to give Board/Governing body approval for their organisations to be collectively supported to deliver and to be held to account for that delivery by the system governance arrangements. Whilst their agreement cannot be legally enforced, commitment to this level of mutual accountability is essential, particularly in advance of any challenging circumstances arising.

In order to minimise external intervention, there is considerable advantage to the system of sign-up by regulators to a system-wide plan and accountability arrangements, so that they can have confidence in the system delivering its-self without their intervention. It is therefore proposed that regulators are similarly requested to sign up to a similar commitment.

The organisations therefore agree by their signature to this MoU to the following Partnership Statement:

The strategic partners in the Devon Health and Social Care Economy agree that there is considerable benefit to joint working arrangements that put our patients and service users at the heart of everything we do.

We accept that the clinical and financial sustainability challenge is of a scale that will require significant change in order for these to be addressed.

Some of the changes may require any of our organisations to enact developments that whilst demonstrably improving delivery across the system, may be suboptimal to membership organisation. We commit to making such changes where these deliver the STP overall objective of clinical and financial sustainability of the system in the knowledge that none of our organisations are likely to be considered a “going concern” in a system that remains insolvent in totality. This commitment is matched by partner

organisations agreeing to manage any detrimental consequences for individual member organisations affected such that this is agreed by all STP members including regulators.

We agree to provide the appropriate attendance to support the membership of PDEG to hold each other to account to deliver our elements of the system plan, and to support and accept support from our partner organisations to achieve our objectives. We agree that this function will be exercised collectively, and by the appointed, organisationally agnostic, officer members (System Lead CEO and DoF)

Role of Subordinate Groups

Clinical Cabinet

The role of the Clinical Cabinet is to:

- To provide clinical leadership to the programme, ensuring that the programme develops robust proposals that are safe and effective as well as clinically and financially sustainable, making recommendations to the Programme Delivery Executive Group for decision where these require a system response.

- Specifically it will:
  - Provide senior clinical leadership for Success Regime and Sustainability & Transformation Plan (STP) programme of work, making recommendations to the Programme Delivery Executive Group.
  - Establish and co-ordinate the work of the Clinical Working Groups (where required to take forward short focussed work) to develop and finalise service models and proposals for implementation or consultation where required.
  - Provide clinical leadership and advice for the development and implementation of service changes required to deliver the system objectives for 16/17 – 18/9 and beyond.
  - Ensure that clinical colleagues are kept informed about the work and are engaged in the work as appropriate.
  - Be ambassadors for the programme and ensure there are clinical and professional care advocates for proposals in each relevant service area.
  - Lead the implementation of the plans following consultation.

Finance Working Group

The role of the Finance Working Group is to:

- Provide leadership, strategic advice and guidance for the financial delivery of the Sustainability Transformational Plan (STP). This will include the provision of director level advice and support to the programme;
- Ensure that the strategy is fully costed, that its impact on the wider health and social care system is modelled and understood and that it meets the requirements to deliver a financially sustainable health system. This will be set out in a Strategic Financial Framework (StFF) that will be reviewed from time to time.

This will require close working between the Finance Directors of wider Devon in commissioners, providers, social care, NHS England, NHS Improvement and other partner organisations. It will ensure that the proposals and plans developed by the system within the proscribed governance framework meet the requirements of the Strategic Financial Framework (StFF) and support the best configuration of service, and delivery of health and care services within available resource for the population of Devon. This purpose is expected to endure for the period of the STP.

System Plan Delivery Group/System Performance Group (SPDG)

To ensure delivery of the overall agreed system plan and constitutional targets including but not limited to A&E, RTT and Cancer performance. The Group will provide leadership, strategic advice and guidance. This will include regular analysis of activity to plan, providing corrective actions, short-term improvements against quality and performance standards and mitigation where necessary.

Responsibilities:

The System Plan Delivery Group will be responsible for:

- Reviewing monthly delivery and financial validation reports from each work stream/patch
- Facilitate delivery and help individuals/teams remove blockages
- Provide a platform for teams to escalate risks and their mitigation proposals for approval
- Manage and resolve any issues where they arise, rather than making them a system problem
- Holding to account the work-stream SROs and Control Centres in supporting consistent approaches to delivery and development of new schemes.
- Ensure remedial action plans are developed and implemented when required
- Oversee the development of business cases for investment prior to submission to relevant decision making authority.
- Provide monthly report to Programme Delivery Executive Group

SPDG will be supported by locality delivery and performance groups at an operational level, and that these will subsume the current roles of IPAM/Quality review meetings. [Leadership arrangements for these are not yet finalised]

It is anticipated that SPDG will include attendance by regulators (NHSE and NHSI initially), and that the locality delivery and performance groups will facilitate any deep dive required by any of the regulators. This should then prevent the need for IDM/Quarterly review arrangements between the system and regulators on an individual organisation basis.

System Executive Group

TBA – but purpose is to manage the system performance and governance arrangements on a day to day basis, meets weekly – membership is System CEO, System FD, System Programme Director – to include South Devon equivalent, System Medical Director, PMO lead.

System workforce and OD Group

1. To provide strategic direction to the Workforce Workstream

2. To be accountable to the Programme Delivery Executive Group for the delivery of the work contained within the Workforce Workstream.

3. To be accountable to the Programme Delivery Executive Group to enable the delivery of the workforce elements identified within the Change Programmes.

4. To assure the quality and sustainability of the future workforce model options.

5. To hold to account task and finish (project) groups to deliver outcomes.

6. Through the Strategy Group membership, ensure that each members' organisation is aware of the workforce matters that may have an impact on them and organisational actions required.

7. Collaborating with the Organisational Development work stream to define the future design principles of the system way of working and then to articulate the future "employment deal" between staff and organisations – taking into account any national policy such as changes linked terms and conditions etc.

8. Engagement of educational providers (Health Education England, Universities, Colleges, Schools, Leadership Academy etc.) – regionally and nationally to influence supply of future workforce capability/skills.

9. To identify and manage risks.

Schedule 5 – Resourcing

The Devon STP represents the strategy for the system for the period 2016 – 2021. Each member organisations own strategy is expected to have significant alignment with this strategy and conflict between the two should be minimised or eliminated.

In recognition of the local circumstances set out in the Partnership Statement included in schedule 4, it is expected that delivery of the STP objectives are seen as the core business of each member organisation, and each will therefore commit their resources to delivery of the STP objectives without recourse for additional resource to the system. Each member organisations is expected to commit the equivalent of two days per week for each executive director of their organisation to the delivery of the system plan.

PDEG may from time to time agree that system objectives cannot be delivered as described above, and that some additional resourcing is required to be deployed for system benefit. In such circumstances appropriate member organisations are expected to contribute in a way that is considered fair and proportionate, recognising the respective differential roles of commissioners and providers. These will be agreed on a case by case basis as need arises.

Schedule 6 – Engaging external resources

Circumstances may arise from time to time whereby the system requires expert external advice or services that are either not available to be sourced from a partner member, or are required for purposes of independence.

Such resources will only be commissioned by agreement at PDEG, or with the agreement of PDEG by a subcommittee or individual that has been duly delegated to commission such advice or services.

Where this is the case, to provide the necessary assurances to member organisations regarding value for money and probity, proper procurement process will be followed as set out in the SFIs and SOs of the organisation most appropriate to commission the advice or services.

For the avoidance of doubt, this excludes any work commissioned for the purposes of the Success Regime – NEW Devon where existing arrangements already apply.

Schedule 7 – Risk management

MoU Schedule 7.pptx

Schedule 8 – Dispute resolution scenarios

Assuming that paragraph 16.1 has failed, the following sets out a range of possible dispute resolution scenarios. These are not exhaustive, but give a guide to the approach to local dispute resolution. Each scenario starts with the notification to the STP lead that such a dispute exists.

Parties are expected to represent themselves (no legal representations will be accommodated), and work to the time-scales indicated to bring disputes of any kind to a resolution as quickly as possible.

Scenario 1

Two organisations disagree on the location of a single-site service, and each considers it to have a material impact.

Step one: The parties in dispute complete a single agreed set of documentation that sets out an agreed back-ground statement, followed by each organisations position that clearly states what the dispute is. Each party should also set out what they believe to be reasonable as a solution to the dispute.

Timescale: Within 1 week of notification of dispute

Step two: Two or more other organisations from within the system (one or more may be regulators) are nominated to hear the dispute (The Panel). These will be selected for their expertise and neutrality. The CEOs (or regulator equivalent level) of the respective organisations will constitute the panel, but they may draw upon the relevant expertise from within the system to advise them.

Timescale: Within 3 working days of receipt of dispute documentation by the STP Lead. The STP Lead may select the panel at the point of notification if the nature of the dispute is sufficiently clear to allow this to happen.

Step three: The panel (together with any expert advisors) will convene to consider the paperwork submitted. The panel may call either or both parties for clarification. Should either or both parties be called, then the other must be present.

Timescale: Within one week of notifying the panel, or receipt of the written documentation, whichever is the later.

Step four: The panel will withdraw to consider their decision.

Step Five: The panel will present their decision to both parties, setting out their reasons as fully as is reasonably practical.
Timescale: On the day or as soon as possible thereafter, setting out clearly any reason for a delay in making a decision.

Step six: There is no appeal process. If the parties fail to agree the proposed solution then they are at liberty to terminate this arrangement.

Scenario 2

System decision leaves a single organisation in a position that its Board cannot support

Step one: The Board in dispute sets out in writing their rational for why they feel unable to support the decision. This written report should include the following headings:

Background – puts the decision in the context of the organisation

The decision not supported - A clear articulation of the decision that has been made, and reference to the document that contains the decision, or the recommendation on which the decision has been made.

Why the decision cannot be supported - The agreed system principle(s) as set out in schedule 3 that is(are) not being adhered to that gives rise to their inability to support the decision, or where they believe that one or more agreed principles are being applied that conflict.

The impact that the decision has that gives rise to their inability to support it.

Suggested remedy/alternative decision - Their suggested remedy that complies with schedule 3, or in the case of conflicting principles, complies with the spirit of schedule 3, that they believe delivers the same or better outcome.

Timescale: Within one week of notifying the STP Lead

Step three:

The STP leader will nominate an appropriately independent and skilled panel from within the parties to this agreement where possible (and where this is deemed not possible, this is sourced in accordance with schedule six) who will receive and comment on the report, drawing on such expertise as is needed in order to make a recommendation to the STP leader as to whether there is a legitimate and/or previously unconsidered reason why the decision should be reviewed.

Timescale: Within 3 working days of receipt of dispute documentation by the STP Lead. The STP Lead may select the panel at the point of notification if the nature of the dispute is sufficiently clear to allow this to happen.

Step four:

On the basis of the recommendation the STP leader, taking such advice as considered appropriate by them, will propose a solution either that the decision stands in the interest of the system, setting out the reasons why; or that the decision be revisited in the light of the reasons raised and such other information that they consider necessary and reasonable to inform the decision.

Timescale: Within one week of receipt of the written report.

Step five: There is no appeal process. If the parties fail to agree the proposed solution then they are at liberty to terminate this arrangement.

Scenario 3

One organisation cannot deliver its control total and it considers that this is as a direct result of a system decision.

Step one

The organisation will set out in writing their rational for why they believe they cannot hit their control total, and which system decision has caused this inability. The report should include the following headings:

Background – puts the decision in the context of the organisations financial position.

The decision that causes the problem - A clear articulation of the decision that has been made, and reference to the document that contains the decision, or the recommendation on which the decision has been made.

Why the decision causes the problem, including the agreed system principle(s) as set out in schedule 3 that is(are) not being adhered to that gives rise to their financial pressure, or where they believe that one or more agreed principles are being applied that conflict.

The material impact that the decision has caused that gives rise to their inability to achieve their control total.

Suggested remedy - Their suggested remedy that complies with schedule 3, or in the case of conflicting principles, complies with the spirit of schedule 3, that they believe will improve the position for their organisation and the overall system.
Timescale: Within one week of notifying the STP Lead

Step two:

The STP leader will nominate an appropriately independent and skilled panel from within the parties to this agreement where possible (and where this is deemed not possible, this is sourced in accordance with schedule six) who will receive the report.

Timescale: Within 3 working days of receipt of dispute documentation by the STP Lead. The STP Lead may select the panel at the point of notification if the nature of the dispute is sufficiently clear to allow this to happen.

Step three:

The panel will receive and comment on the report, drawing on such expertise as is needed in order to make a recommendation to the STP leader as to whether there are actions the system can take to improve the organisations and the overall system financial position.

Timescale: Within one week of receiving the report

Step four:

On the basis of the recommendation, the STP leader, taking such advice as considered appropriate by them, will propose a solution either that the decision stands in the interest of the system, setting out the reasons why; or that the decision be revisited in the light of the reasons raised and such other information that they consider necessary and reasonable to inform the decision.

Timescale: Within one week of receiving the recommendations.

Step five: There is no appeal process. If the parties fail to agree the proposed solution then they are at liberty to terminate this arrangement.

Scenario 4

One organisation changes its practice unilaterally, such that this has a negative impact on another party to this agreement or the system as a whole.

Step one: The organisation experiencing the negative impact, or becoming aware of the adverse system impact will prepare a report to include the following headings:

Background – as much as they believe relevant to the circumstances so that it is sufficient to advise the reader of the report.

The action that causes the problem – sufficient information to explain what change of practice has happened, and if possible, why the organisation changing its practice has done so, ie what risk were they mitigating?

The material impact – how the change of practice has had an impact, the scale of the impact and the other parties affected by the change of practice, and the principles under schedule 3 that have not been adhered to.

A suggested remedy – what action could the precipitating organisation or any other organisation take that could resolve the problem, including how these comply with schedule 3.

Timescale: Within one week of notifying the STP Lead

Step two

The STP leader will nominate an appropriately independent and skilled panel from within the parties to this agreement where possible (and where this is deemed not possible, this is sourced in accordance with schedule six) who will receive the report.

Timescale: Within 3 working days of receipt of dispute documentation by the STP Lead. The STP Lead may select the panel at the point of notification if the nature of the dispute is sufficiently clear to allow this to happen.

Step three:

The Panel will receive and comment on the report, drawing on such expertise as is needed in order to make a recommendation to the STP leader as to whether there are actions the system can take to resolve the issue.

Timescale: Within one week of receiving the report

Step four:

On the basis of the recommendation the STP leader, taking such advice as considered appropriate by them, will propose a solution in the interest of the system, setting out the reasons why. This solution may be that an options paper needs to be considered by PDEG.

Timescale: Within one week of receiving the recommendations

Step five: There is no appeal process. If the parties fail to agree the proposed solution then they are at liberty to terminate this arrangement.