

***Leadership Lessons from
Other Governance Regimes
A Personal Reflection***

***Mairead McAlinden
Chief Executive
Torbay and South Devon NHS FT***

What is 'Good' Governance

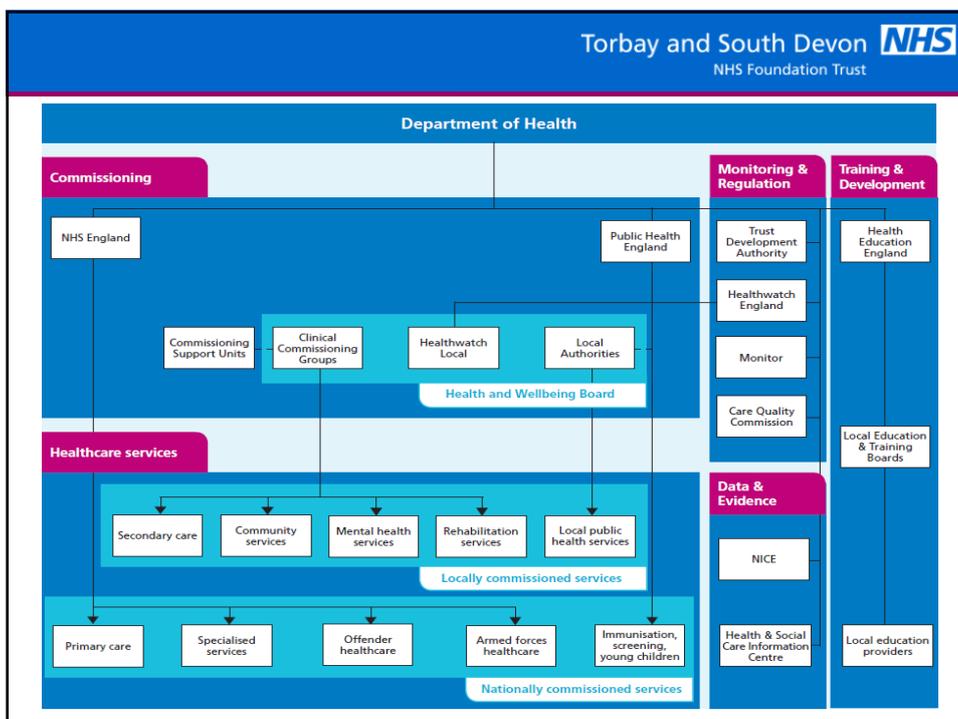
Enhanced and more effective decision making should be the ultimate goal of any governance system, the ultimate beneficiary of better decision making is the citizen who uses public services.

Dr Gary Martin

Torbay and South Devon **NHS**
NHS Foundation Trust

Effective Decision Making

- Understanding risks and complexity
- Understanding risk appetite
- Balancing risks = wicked choices
- Stakeholder support
- Communicating well
- Resourcing and Leading Implementation



Where does the Risk Sit?

- Financial
- Safety and Quality
- Performance
- Demand
- Workforce (agency spend, etc)
- New ways of working – 7 day service
- Provider competition to survive

National Context

Financial performance

 **118**

NHS foundation trusts in deficit – up from 86 this time last year

 **£445m**

The sector's deficit for the first 3 months of the 2015/16 financial year was larger than the full-year deficit for 2014/15 (£349m)

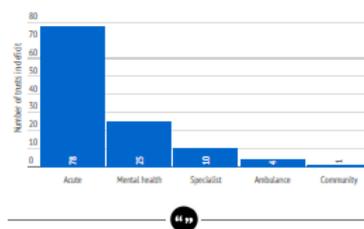
 **£90m**

Worse than the sector had planned

 **£515m**

Spent on contract and agency staff – £192m more than planned

Types of foundation trusts in deficit

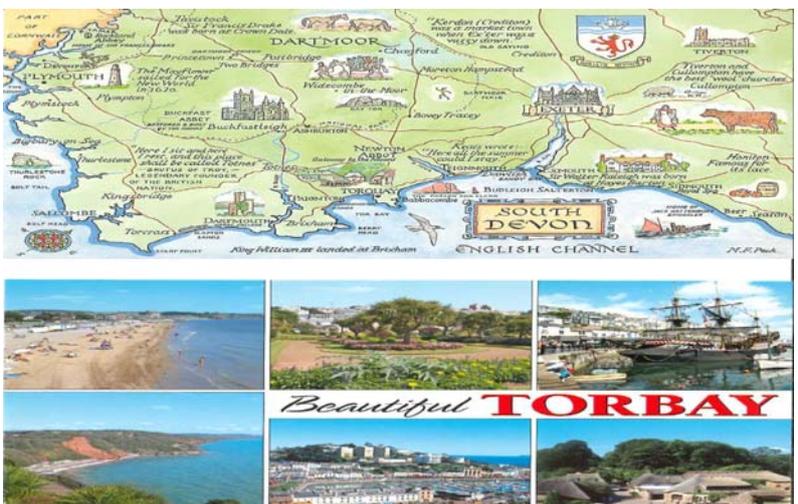


Trusts are working hard to provide patients with quality care. However, today's figures reiterate that the sector is under massive pressure and must change to counter it.

Dr David Bennett, Chief Executive at Monitor

Torbay and South Devon NHS Foundation Trust

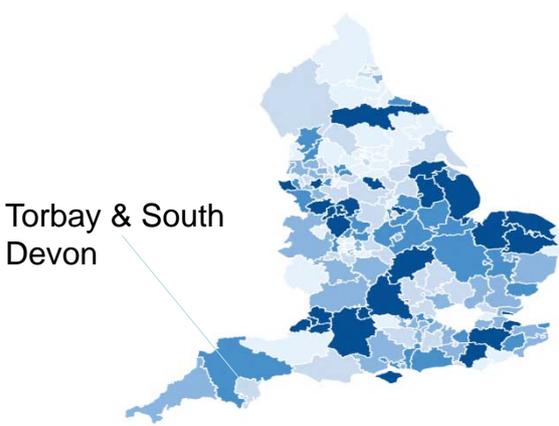
Torbay & South Devon FT



The image features a historical map of the Torbay and South Devon region, showing Plymouth, Dartmoor, and the English Channel. Below the map is a collage of six modern photographs: a sandy beach, a green park, a harbor with a ship, a coastal town, a harbor with buildings, and a coastal town. The text "Beautiful TORBAY" is overlaid on the bottom right of the collage.

Torbay and South Devon NHS Foundation Trust

Trust and CCG Footprint



A map of England showing the footprint of the Trust and CCG. The region of Torbay & South Devon is highlighted in a darker shade of blue. A label "Torbay & South Devon" with a line points to this highlighted area.

Provider Landscape

- Torbay & South Devon FT (Not MH)
- Devon Partnership Trust
- Virgin Health Care CAMHs SD
- Mears (domiciliary care)
- Torbay Council (Children's Social Care)
- Devon County Council (Adult and Child SC)

FTs – New Policy Initiative in 2002

*In 2001, SoS Alan Milburn had become convinced that the **command and control model** which the NHS had developed in the previous four years of Labour Government was **both managerially and politically counter productive, with perverse effects.***

*Managerially it stifled initiative ... Politically, the system **centralised blame** ... Ministers had to stand up in Parliament and **account for every dropped bedpan** and every mishap.*

***FTs were the 'circuit breaker'**, preventing SoS from being directly responsible for everything in the NHS*

- In 2004, SoS told MPs that, in future, Ministers would no longer be in a position to 'comment on, or provide information about, the details of operational management in FTs'
- Chain of accountability was cut, replaced by Monitor

Foundation Trust Governance

- **Government Involvement:** Not directed by Government, therefore more freedom to make strategic decisions
- **Regulation/Financial, Quality, Governance:** Monitor
- **Regulation/Quality:** Care Quality Commission
- **Finance:** Free to make their own financial decisions according to an agreed framework set out in law and by regulation. Can retain and reinvest surpluses

Governance of TSD FT

Accountability devolved from Whitehall to local Community:

18,000 members (12,000 public, 6,000 staff)

- Members have right to elect Governors
- Council of Governors (31): Public, Staff, or nominated by partners (Councils, CCG)
- CoG represent the views of members and help shape the direction of the FT – approve/veto 'significant transactions'
- CoG hold Board to account, oversee appointment, remuneration and PM of Chairman and NEDs
- Approve appointment of CX, involved in Interview
- Gather local feedback from Community

Trust Governors



Integrating Acute and Community H&S Care – absolutely the right thing to do

On 1 October 2015, after 2 years

- FT acquired TSD H&C Trust to become first integrated acute, community health and social care provider in NHS
- Had to be approved by
 - Council of Governors and Trust Board
 - Monitor
 - Trust Development Authority
 - Commissioners (££ CCG, NHSE and Council)
 - Secretary of State

Commissioning Landscape

- NHS England – primary care and specialised services, NHS public health services, system support
 - Vanguard(s), Pioneer,
- Public Health England and Local Authorities – public health services
- Torbay and South Devon Clinical Commissioning Group
- Torbay Council (adult social care)

Regulation – Quality

Care Quality Commission

- Visit in February, 4 days, 10 days ‘unannounced’ visits
- Safe, effective, caring, responsive, well led
- 70+ inspectors, all services
- Report in May with Rating
- Findings – made public and very high profile
- Powers
 - Requirement notices to change in registration

Regulating £ and Performance

- Monitor - Becoming NHS Improvement, taking on TDA
 - Sector Regulator
 - Quarterly Performance Report
 - Sets Tariff
 - FT 'Relationship Team'
 - Breach of licence = 'special measures'
 - Implement CQC findings

The Big Picture



Together we care

Comparison of Governance - Reflection

Politics more 'distant' in England

BUT 'blame' sits with the systems

Risk - difficult to see route to influence

BUT local and central politics poles apart

NHS England creates some of the distance

BUT commissioning complex and 'top down'

Role of Regulators - Success Factors more explicit

- System of national standards and inspection
- CQC rating now SoS success measure

BUT Governance still seems 'process and tick box'

NI has Much to Celebrate

- Organisational Stability: 5YFV = many provider variations, initiative overload
- Payment regime: PbR isn't working – Monitor v's NHSE about 'who's deficit is it'?
- Political access has benefits if used well
- Take the opportunity of the Relative Simplicity of NI system!!!
- BUT create role separation and space if we want good governance

Questions ?