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| Meeting: | Brighton and Sussex University Hospitals NHS Trust Board of Directors |
| Date: | 1st June 2015 |
| Board Sponsor: | Director of Strategy and Change |
| Paper Author: | Director of Strategy and Change |
| Subject: | Executive Governance and Delivery of Change |

Executive summary

The external review of the *Delivery of Projects, Programmes and Change* made a number of recommendations regarding executive governance and assurance. This report summarises how those recommendations will be implemented within the revised executive management committee arrangements and integrated change management function and the timeline for their implementation.

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| Links to corporate objectives | The implementation of the recommendations will support, in particular, <i>empowered skilled staff; high productivity; deliver the clinical strategy</i> |
| Identified risks and risk management actions | The integrated change management arrangements will mitigate the risks identified in the external review |
| Resource implications | Aligned with the implementation of the review recommendations |
| Report history | Clinical Management Board; Executive Team |
| Appendices | None |

Action required by the Board

The Board is asked to note and endorse the planned new approach to the delivery of change within the Trust.

Report to the Board of Directors, 1st June 2015 Executive Governance and Delivery of Change

1. Context

As part of the Clinical Structure programme, and alongside the new Clinical Directorate structure, a revised Executive Management Committee structure was implemented in September 2014.

This structure was designed to have three main components: an **Executive Management Board (EMB)**, **Clinical Management Board (CMB)** and **Transformation Board (TB)**.

Since the implementation of this structure, the Trust has received the review of the delivery of Projects, Programmes and Change, which was discussed at the Board in March and made a number of recommendations regarding executive governance and assurance. This included the establishment of a **Change Board**, to oversee change programmes and incorporate existing forums such as the Efficiency Programme Steering Group (EPSG) and Investment and Prioritisation Group (IPG).

In addition the People and Well-Being Strategy which is submitted to the Board for approval and the critical importance of this strategy requires additional oversight through a proposed **People Board**.

2. Executive Management Committees

It has therefore been agreed that the new executive structure will comprise a monthly **Change Board**, **Clinical Management Board** and **People Board** reporting to the **Executive Team**.

The **Executive Team (ET)** is the main committee for approval of Trust policy and procedure, and for discussing and agreeing major strategic and policy decisions prior to approval by the Board of Directors. The members of the ET are the executive directors and Director reports to the executive directors.

The **Clinical Management Board (CMB)** reports to the ET and is responsible for the delivery of operational, income and budgetary performance, co-ordination between clinical services, and changes to operational and clinical practice required as a result of decisions made by ET and the Board of Directors. The members of the CMB are the executive directors and clinical directors.

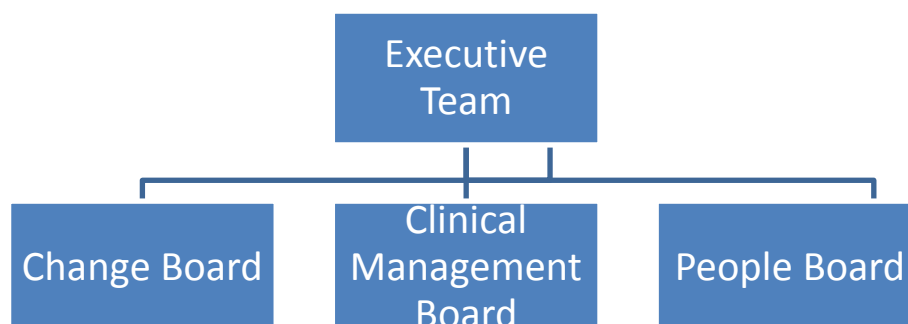
A **Change Board (CB)** reports to the ET, and its key functions comprise approving new change initiatives, subsequent plans to move into delivery, monitoring delivery of against delivery plans, and providing oversight to Trust-wide developments, including CIPs, agreed objectives and priorities. The Change Board will ensure alignment between programmes of work, and identify opportunities for improved efficiency and quality in the delivery of clinical services. The members of CB are drawn from the Executive Directors, other Directors and two appointed Clinical Directors.

The **People Board (PB)** reports to the ET and will monitor the effectiveness of the implementation of the People and Well-Being strategy and plan; ensure we have effective plans in place to deliver an affordable, flexible and modern workforce that meets the need of the current and future needs of the service and patients; and develop an employee brand and modern employment practices that facilitate the attraction and retention of a talented and capable workforce. The Board will be chaired by the Director of Strategy and Change

and will include two appointed Clinical Directors, the Head of Equalities, Human Rights and Diversity and Director of Education of Knowledge.

There will also be a quarterly **Transformation Board**, a forum, which will also involve external partners.

Table 1: Executive Management Committees



3. Delivery of Change – implementing a new approach in BSUH

This part of the report describes a new approach to the delivery of change at BSUH, from the creation of strategy and the initiation of ideas, through the assessment and planning stages, through to approval and implementation, assurance and performance management, and the closedown and handover of projects.

It also considers the positioning of other roles in the light of these changes, in particular contract management, performance management, commercial/tendering and information technology and information management.

4. Background

The Trust has recently undertaken a significant re-shaping of its corporate and clinical functions. This included the creation of a new Directorate of Strategy and Change to (amongst other functions) oversee the development and implementation of the major strategic change programmes across the Trust.

In recognition of the changes and an acknowledgement that the existing structures did not adequately support the organisation to deliver change, the Director of Strategy and Change commissioned an external **Review of the delivery of Projects, Programmes and Change**. This report, undertaken by Julia Nerney, was discussed with the Board in March.

5. Key Findings

The report did find some aspects of good practice regarding change management within the Trust, most notably the 3Ts project and the programme management of some IT projects, including EPR. However, it also highlighted major areas of weakness. This included a lack of strategic alignment, a poor prioritisation process, rushed and inadequate planning, lack of visibility of the scope of change programmes, lack of resourcing of programme management, an overwhelming volume of change and sometimes contradictory and ineffective Trust-wide governance processes.

The report made 17 recommendations for the Trust, which are listed below, together with the Trust's response. The key recommendation is to introduce an integrated change team,

based on the principles of programme/portfolio management, and to have a revised and comprehensive governance structure to support this.

6. The Trust Response

The Trust is proposing to create an integrated change team under the Director of Strategy and Change, encompassing the role of the current Service Strategy Director, and a new post, a Programme Change Director. Further changes will also be made to the Performance management arrangements and to the IM&T and information provision functions.

Strategic Planning and Business Planning fall within the remit of the Service Strategy Director, as will supporting the Clinical and other Directorates in the development of business cases. Clinical Directorates will be supported by a team of Business and Change Managers, who will help the teams develop their ideas and ensure that they are supported in their development and implementation. These managers will be 'business partnered' with the Clinical Directorates, but will be accountable to the Service Strategy Director. The team will be created to encompass a range of skills, including analytical skills, business planning, business case development, project and programme management and facilitation and change management skills.

The programme management and governance of change programmes will be the responsibility of the Programme Change Director. The range of change programmes will extend beyond the business plans covered by the Service Strategy Director, and will include such change programmes as CIPs, Quality Improvement and Safety, Trust-wide workforce programmes and IT projects. The Programme Change Director and team will have responsibility for ensuring that all projects are reviewed through the correct gateways, are correctly initiated, approved and assured. For the larger corporate programmes, the team will also have some responsibility to support, as well as assure delivery. The Director and team will have responsibility for handover, closedown and evaluation of change programmes. They will also have responsibility for the 'knowledge portal' for the change portfolio.

The Trust is also planning to make changes to the way the Trust provides information and data management, and how performance management is undertaken. It is proposed that a new function, encompassing IM&T and data management is created, and that the interpretation and performance management is brought together under a function focused on Performance Improvement.

The above changes will have a significant impact on the current corporate functions within BSUH. The changes proposed will encompass the functions of business and strategic planning, the Delivery Unit, the Central Information Unit and the contracting and performance function. Given the critical point at which the respective programmes are, the 3Ts programme, the EPR programme and the site reconfiguration programme will remain outside the immediate scope of the new arrangements, until the new arrangements have been established and are robust. A diagram showing the current and the proposed future arrangements is given below.

Fig. 1 Current Arrangements

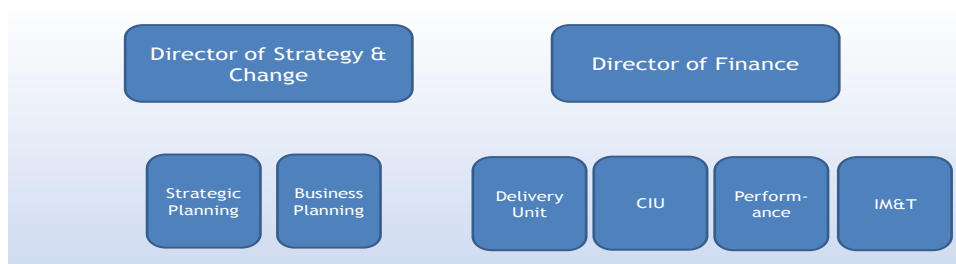
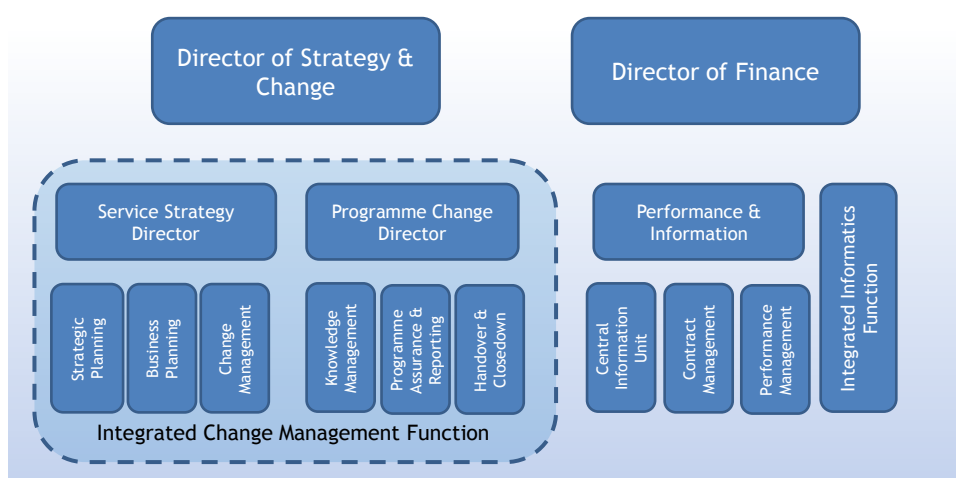


Fig. 2 Proposed new arrangements



7. Report recommendations and proposed actions

The table below sets out each of the 17 recommendations contained within the external report on change management, and how the Trust proposes to respond to these recommendations. Where there is any variation to the recommendation and proposed action, this is detailed in the notes column.

| Recommendation | Proposed Actions |
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| <p>1. Create a community of PPM professionals who facilitate and enable the delivery of successful change, including</p> <ul style="list-style-type: none"> • Change Director • PPM community, business partnered with Directorates • Co-located • Internal Consultancy model • Knowledge management portal • Common tools, templates and processes owned by Change team | <p>Trust to integrate business, change management and programme management of change processes within an integrated structure, under the Director of Strategy and change. Business/Change managers will be business partnered with Clinical Directorates. The new integrated team will set out a clear process, backed up by common tools and templates. This will be accessible through a knowledge portal</p> |
| <p>2. Design training programme for Change team on new ways of working</p> | <p>Development programme will be put in place as the team is consolidated – to</p> |

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| | include programme management, change management and business planning |
| 3. Develop CPD Pathways for the Change team | Team structure will be designed to ensure there is prospect of career progression within the team. CPD to be built into each team member's PDP and regularly reviewed |
| 4. Design and implement a communications and engagement plan | Accept the need to ensure that the new arrangements are fully understood by the organisation and that the perception of the new team is positive |
| 5. Ensure appropriate nursing representation in operational and strategic decision making | Work with the CN to embed nursing representation and the functions in the corporate and executive realignment |
| 6. Ensure that there is appropriate resourcing with the management components of the Clinical Directorates | Business planning and service change support to the Clinical Directorates will be integrated and strengthened under the new arrangements. |
| 7. Consider developing a holistic informatics provision | The Central Information unit will be more closely aligned to the performance management function, but not fully integrated with the IT function |
| 8. Create a baseline list of all change initiatives currently underway within the Trust. | Agreed – first steps will be the change initiatives which deliver the top 10 quarter 1 priorities, although over the next six months this will need to become more comprehensive |
| 9. Introduce Portfolio Management | A portfolio management approach will be introduced as part of the integrated change management approach, with the right governance and structures. All change programmes (including quality initiatives and CIPs, as well as service changes) will be included. |
| 10. Implement new governance arrangements that will filter and effectively monitor change | A Change Board will be set up, chaired by the Chief Executive, to review progress against the portfolio of projects. This Board will make the key decisions (to proceed/stop) post initiation and post planning stages for major projects. |
| 11. The agreement of an overarching change life cycle | Agreed – split into initiation, assessment, planning, delivery, assurance and handover/closedown. Gateway approach will be adopted. |
| 12. Development of and migration to one consistent set of tools, templates and processes to support the delivery of change | The Trust will adopt and develop a common set of tools templates and processes. Will also adopt the framework suggested in the report for the proportionate review dependent on size of programme |
| 13. Development of a Knowledge Management Portal | The Trust will review the feasibility of using Sharepoint more widely to support portfolio management |
| 14. Project Cost Accounting | Arrangements to be confirmed |

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| 15. Set clear requirements for all those leading the new ways of working, supported by appropriate training | The Trust recognises this requirement and will build it in to the design and roll out of the programme |
| 16. Set out a clear plan that provides developing levels of empowerment to the Directorates and other departments, abolishing VCG and aligning establishment and finance plans | The Trust is developing its own plans for earned autonomy for directorates, and the level of oversight from the Change team will be one of the areas for review |
| 17. Reshape the values and behaviours programme for 15/16 | Priorities agreed for 2015/16 |

8. Timeline

Moving to the revised arrangements proposed in this paper cannot be done overnight; the new approach may not be fully embedded for 12 months. The table below gives an outline proposal and timeline for implementation (requires development into a comprehensive project plan).

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| <p>By June 5th 2015</p> <ul style="list-style-type: none"> • Executive approval of revised approach • Board discussion of new governance arrangements • Implementation programme for new arrangements fully mapped out • Initial summary of major change programmes produced (focus on Q1 deliverables) • Communication of new arrangements across the Trust • Comprehensive Trust-wide set of tools and change frameworks in place • Earned autonomy arrangements agreed • Discussions with all staff potentially affected by change undertaken • Change Board established and IPG/EPSPG abolished |
| <p>By June 30th 2015</p> <ul style="list-style-type: none"> • Revised structure to deliver change function agreed • Job descriptions for posts within new structure agreed • Recruitment to Programme Change Director underway • Recruitment to any vacant posts within new integrated change team underway • Dedicated information resource to team identified (within CIU) • Earned autonomy arrangements in place |
| <p>By September 30th 2015</p> <ul style="list-style-type: none"> • Structure to support new functions fully staffed • Comprehensive CPD training programme in place for team • Gateway arrangements for all change programmes fully up and running • Sharepoint modified to capture all change programmes & provide transparency |
| <p>By March 31st 2016</p> <ul style="list-style-type: none"> • All members of integrated change team fully trained • New arrangements for managing change fully embedded • Review of projects (such as 3Ts) outside of scope of Change Team to consider incorporation |

Amanda Fadero
Director of Strategy and Change
May 2015