



Working Together Partnership Vanguard: Acute Federation Board.

1. Background

1.1 The Working Together Partnership was selected as an acute care collaboration vanguard in September 2015. The core feature of the vanguard application was the development of a confederated approach to endow the decision making body with added authority and greater commitment to support the development and implementation of a high level clinical strategy for the collective. An appropriately powered governance arrangement for delivery was seen as essential in driving potential different organisational models to facilitate wider scale change. The default position agreed between the partners was collaboration on the overarching clinical strategy for SYMYND, with local underpinning clinical strategies and managed clinical networks set up to pioneer accountable care networks initially in ENT, Ophthalmology, OMFS, Children's services and Radiology. These are tasked to support the discussion and development both of the service design and appropriate operational business models for delivery. The focus is on sustainable models of acute care through a wider perspective on problems that cannot be solved or services optimised at single organisational level, (essentially a subsidiarity approach) supported by a greater standardisation of processes, use of technology and shared information to reduce unacceptable variation in care.

1.2 Integrated and shared corporate services also form part of the strategic direction for interoperability, implementation of best practice and greater efficiencies to support financial sustainability.

1.3 An Acute Federation Board is critical to a sense of shared ownership across acute Trusts and will assist a governance structure that differentiates those services for shared accountability and those for which individual organisations are accountable for each aspect of deliver. It will provide clarity on where individual Trust organisations are ceding authority to the Federation.

1.4 Further phases for changes to the governance structure will develop and may include any new corporate structures necessary to deliver these new models of care. As the service change options become clearer, the Federation will consider the best way of organising and managing these changes to ensure they are implemented effectively by deciding which models are most suitable for which services, agreeing the most appropriate vehicle to coordinate the service changes and establishing the balance of risk. Proposed changes will need to demonstrate that any prospective model confers more benefits than a single Trust authority confers through criteria that will inform a 'balance of advantage' for organisational involvement through the Federation

2. Acute Federation Board

2.1 Both FTs and NHS Trusts have the power and freedom to form federations for a range of services:

- FTs have powers under section 47 of the NHS Act 2006 to take action which appears to it to be necessary or expedient for the purpose of or in connection with its functions. This includes entering into contracts and acquiring and disposing of property.

- NHS Trusts have identical general powers under Paragraph 14 of Schedule 4 to the NHS Act 2006.
- As such, both NHS Trusts and Foundation Trusts are free to enter into a federation, providing that the proposal meets CMA standards

2.2 An updated Partnership Statement and governance structure for an Acute Federation was agreed by Chairs and Chief Executives, in February 2016, which recognises and reconfirms the case for working together arising from the original drivers which were the need to:

- Improve the quality of care, safety and the patient experience (quality);
- Deliver equity of access and improve activity (productivity);
- Deliver services which are economically and financially sustainable (sustainability).

2.3 The Acute Federation Board derives its authority from the Trust Boards and Chief Executives of the participating organisations and will in summary:

- Be responsible for strategic leadership and oversight of the delivery of new models of care, new workstreams and projects and the development of the vanguard acute care collaboration.
- Be headed by a Lead Chief Executive to drive the delivery and guide direction and include the Chief Executives from each of the constituent members, chair of Clinical Reference Group, Programme Director, and Programme Medical Director.
- Set the strategic goals for the Federation, defining its ongoing role and scope ensuring recommendations are provided to Trust Boards for any changes which have a material impact on the Trusts
- The precise scope of services to be included in the arrangements will be determined by the partners and align with the STP strategic review.
- Consider different employment models for service line specialities including contractual outcomes and governance arrangements
- Ensure all Managed Clinical Networks or other collaborative forms have clarity of responsibility and accountability and drive progress
- Hold organisations to account for progress against agreed decisions
- Establish monitoring arrangements to identify the impact on services
- Determine processes for resolution on issues, if not consensual and establish criteria for undertaking decisions based on collective decision making.
- Receive and seek advice from Reference Groups, including Clinical, Finance, Human Resources,
- Receive and seek advice from the joint strategic STP Boards in South Yorkshire and Bassetlaw; West Yorkshire and Derbyshire
- Report on progress to the Trust Chairs who will provide an overall assurance role
- Review and approve any proposals for additional Trusts to join the founding Trusts
- Ensure compliance and due process with regulating authorities regarding service changes and oversee creation of joint ventures or new corporate vehicles where appropriate.
- Be accountable to the National New Care Model Team for the delivery of the Vanguard development including agreed milestones, quarterly monitoring performance reviews and financial reporting

2.4 Each Trust in the partnership will retain organisational sovereignty:

- All systems of governance would remain in place at an individual site level, undisrupted by the formation of a Federation and entailing no loss of organisational sovereignty, save that which is willingly pooled.

- Trust Board accountability and respect for the requirements for Foundation Trusts to be governed by their local communities remains.
- Responsibility for services ceded under delegated authority will be managed by the Federation Board, who will also monitor its performance and delivery.
- Nothing in the partnership agreement will require any Trusts to do anything which is in breach of legal obligations (including procurement, competition law and company law (as applicable) or which breaches any regulatory or provider licence requirements

3. Acute Federation Board Decision making criteria.

3.1 The Lead Chief Executive has been appointed for a year and the Federation Board will consider future arrangements at a suitable point during the first year. All Trusts will be party to the selection of priorities and development of the work programme. After initial scoping of each project Trusts will confirm their level of mandate and commitment to the service changes and thereafter remain actively engaged through to the completion of the project and implementation of delivery. Sufficient level of detail will be required at each commitment point to support decision making.

3.2 All Trusts must ensure attendance at each meeting sending deputies only when necessary. Consensual decisions from all mandated Trusts will be sought but if areas of dispute arise collective decision making will apply as long as there is ***at least 75% of the relevant Trusts support for the agreement.***

3.3 Agreements made by the Acute Federation Board will be progressed by each participating Trust. Delivery will be enhanced through an operational delivery group comprising Chief Operating Officers/Directors of Operations. Decision making criteria will ensure consensual decisions from all mandated Trusts will be sought but if areas of dispute arise collective decision making will apply as determined through the revised governance structure. The Acute Federation Board will monitor and hold Trusts to account on timely progress.

3.4 Trusts agree to participate for the duration of the agreement, covering the strategic period April 2016 to April 2020 unless a six month notice is given by a Trust of their intention to cease to participate or one year or more if involving contract agreements .

3.5 Further phased development for the Acute Federation Board may involve the creation of new corporate vehicles for a single or multi-services. New arrangements may include new contractual arrangements with partners in one contract, a series of sub contracts with each other or the creation of new delivery vehicles which are jointly owned by the partners. This will require a clear legal framework and legal support will be sought at an early stage to review all the potential implications, including the regulatory and external accountability.

3.6 A gateway approach to decision making is shown in the table 1 below.

Acute Federation Board

<p>Membership: Acute Providers (Chief Executives, Chair of Clinical Reference Group, Vanguard Medical Director, Vanguard Programme Director)</p> <p>Role: Strategic leadership and oversight of the delivery of the acute care collaboration and new models of care</p> <ul style="list-style-type: none"> improving patient outcomes through sharing best practice, expertise and workforce achieving financial stability through better use of existing resources creating sustainable services through improving resilience and working with STP Collaborative Partnership Board to reconfigure services
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Decision making approach: Commitment made through locked gateway process with no going back unless material new information available

Phase	Description	Issues where future decisions will be binding on all trusts within the eligible constituency ²	Issues on which any future decision will not be binding on all trusts
Initiation (gateway 1)	Project definition	Requires simple majority support	Requires simple majority support
Case for change (gateway 2)	<ul style="list-style-type: none"> Scope, anticipated benefits Evaluation framework Risk sharing approach Categorisation and rationale of the eligible constituency 	<ul style="list-style-type: none"> Seek unanimous support If not supported unanimously support of >75% of eligible constituency triggers dispute resolution processes If support is <75% the proposal is n't taken forward 	Unanimous support of the eligible constituency
Options (gateway 3)	<ul style="list-style-type: none"> Outline Business Case level Options appraisal Eligible constituency may be redefined 	Requires support of 75% of the eligible constituency	Requires support of 75% of the eligible constituency
Option appraisal (gateway 4)	<ul style="list-style-type: none"> Application of agreed evaluation framework Identification of preferred option by eligible constituency 	Requires support of 75% of the eligible constituency	Requires support of 75% of the eligible constituency

4. Sustainability and Transformation Plan (South Yorkshire and Bassetlaw).

4.1 A separate joint strategy and planning whole health economy Board with commissioners, Mental Health Trusts, Local Authorities will provide the architecture and structure for the shared 5 year strategy and development of the Sustainability and Transformation Plans for South Yorkshire and Bassetlaw (SY&B). The Collaborative Partnership Board will agree and oversee the delivery of the strategic plan (STP) including the performance and finance with potential for shared control targets across the whole system economy. Mid Yorkshire Trust and Chesterfield Hospital NHS Foundation Trust as members of the West Yorkshire and Derbyshire STP footprints will be formal associates to the SY&B STP. The Collaborative Partnership Board will continue to develop the STP plan and priorities, and sponsor a review of how best to be organised for STP delivery.

4.2 This enables the main focus of the Federation Board to be the delivery vehicle for the acute transformation of services. Nationally, the development of the Acute Federation Board model by the Working Together Partnership is being supported as a replicable governance structure for new models of care and have confirmed there is no issue, in theory, with a two tier governance arrangement whereby the SY&B STP would have the strategic whole system governance within which the Acute Vanguard and Federation Board would exist with

its own governance arrangements as long as how the two structures interlink is clear and where accountabilities lie.

5. Recommendation

Trust Boards are requested to approve the move to an Acute Federation under the terms set out in this paper