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| <b>Title of report</b>     | <b>Delivering the benefits of the IWT and PHU NHS Group</b>   |
| <b>Board / Committee</b>   | <b>Trust Board</b><br><b>31 JULY 2024</b>   |
| <b>Agenda item number</b>  |   |
| <b>Executive lead</b>      | Penny Emerit - Chief Executive Officer  |
| <b>Author</b>              | Penny Emerit – Chief Executive Officer<br>Nikki Turner – Chief Transformation Officer<br>George Parvin – Executive Business Manager   |
| <b>Date report written</b> | 23 July 2024  |
| <b>Action required</b>     | For assurance   |
| <b>Executive summary</b>   | <p>Following publication of the IWT strategy this month, PHU and IWT share a common vision:<br/><i>‘Working together to deliver excellence in care for our patients and communities’</i></p> <p>Together, we will pursue the same five strategic aims through the adoption of a single improvement and strategy deployment framework.</p> <p>This strategic alignment provides the basis for the delivery of further benefits for our patients, communities and our teams as we work together, ‘as one’, as an NHS Group.</p> <p>This paper provides an update and assurance to the boards on four key areas of progress to ensure we deliver the benefits of operating as an NHS Group:</p> <ol style="list-style-type: none"> <li>1. Confirmation of an aligned strategic direction between the two organisations working as a Group</li> <li>2. That strategic alignment has been further developed into clear, measurable programmes of work, exploiting the benefits of working as an NHS Group, to deliver our commitments as measured through: <ul style="list-style-type: none"> <li>○ Delivery of Trust operating plans</li> <li>○ Mitigation of Trust strategic risks</li> <li>○ Agreed priorities for the longer term</li> </ul> </li> <li>3. That the leadership, governance and accountability arrangements are aligned as an NHS Group to deliver the shared vision and operating plan commitments</li> <li>4. That there are clear next steps to embed the priorities of the Group into the business of each Trust and to provide regular assurance reports to the Boards on progress</li> </ol> |
| <b>Appendices attached</b> | Appendix 1 – Associated Diagrams  |

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| <b>Recommendations</b>   | Trust Board to receive this paper as an update of progress to delivering the benefits of the IWT and PHU NHS Group   |  |   |   |
| <b>Next steps</b>  | <ol style="list-style-type: none"> <li>1. The Boards will receive an update against the six Working Together, Improving Together Imperatives at its next Board in September 2024 – this will continue every other month, with an update against each of the Trust strategies at the intervening meeting.</li> <li>2. ‘Autumn Sessions’ will be run in each organisation as a mid-year review against our strategic and operational commitments, set in the context of the Purpose and Benefit of the Group through the lens of the six Imperatives</li> <li>3. ‘Go live’ date for single corporate services 1 November 2024, subject to the consultation process that commenced on 29 July 2024</li> <li>4. Regular engagement with, and development of, the IWT and PHU Senior Leadership Team will continue to ensure that our collective leadership is aligned to the vision and purpose of our Trusts Working Together, Improving Together</li> <li>5. To note that the delivery of the Trust and Group strategic direction is in the context of the HIOW ICS strategy and transformation programmes with updates also reported to subsequent Boards meetings</li> </ol> |  |   |   |
| <b>Links to Corporate Objectives (Please ✓)</b>  |  |  |   |   |
| <br>Fulfil our role for the communities we serve | <br>Support safe, high-quality patient-focused care  | <br>Take responsibility for the delivery of care now and in the future | <br>Invest in the capability of our people to deliver on our vision | <br>Build the foundations on which our team can best deliver care |
| ✓  | ✓  | ✓  | ✓   | ✓   |
| <b>CQC Domains (Please ☑)</b>  |  |  |   |   |
| <b>Safe</b>  | <b>Effective</b>   | <b>Caring</b>  | <b>Responsive</b>   | <b>Well-Led</b>   |
| ✓  | ✓  | ✓  | ✓   | ✓   |
| <b>Links to Board Assurance Framework</b>  |  |  |   |   |
| <b>Links to Corporate Risk Register</b>  |  |  |   |   |
| <b>Compliance / Regulatory Implications</b>  |  |  |   |   |
| There are no direct regulatory implications to this report.  |  |  |   |   |
| <b>Quality Impact Assessment</b>   |  |  |   |   |
| There is no direct impact on quality arising from this report.   |  |  |   |   |
| <b>Equality Impact Assessment</b>  |  |  |   |   |
| No equality implications.  |  |  |   |   |

# **Delivering the benefits of the IWT and PHU NHS Group**

## **Introduction**

Following publication of the IWT strategy this month, PHU and IWT share a common vision:

*'Working together to deliver excellence in care for our patients and communities'*

Together, we will pursue the same five strategic aims through the adoption of a single improvement and strategy deployment framework.

This strategic alignment provides the basis for the delivery of further benefits for our patients, communities and our teams as we work together, 'as one', as an NHS Group.

Examples of the further benefits we intend to deliver through working as a Group include:

For our patients and communities:

- Improvement in patient outcomes as a result of utilising our subject matter experts across a wider footprint to improve pathways
- Qualitative improvement in patient care, through an increased ability to share learning across sites highlighting innovation and areas of best practice
- Increased time for patient care, driven by simplified and standardised policies and processes, and improved access to support for frontline staff.
- Excellence in care for our patients and communities, through improved use of resources across both Trusts, enabled by efficiencies in delivery

For our teams:

- Doing things once and reducing duplication on transactional tasks giving staff the ability to focus on higher value and more diverse activities.
- Unified teams which build stronger, more resilient organisations
- Be an employer of choice, attracting and retaining people who share our values for excellence in care and welcome the opportunity to benefit from the broad range of flexible career and development opportunities we can offer.
- Improved learning and development opportunities and sharing best practice, upskilling both Trusts.
- An improved experience for our people at work, standardising policies and sharing these with all our people.
- A consistent, high-quality experience for frontline employees accessing information or support from corporate services, including through dedicated business partners, regardless of which organisation they sit in.

## **Purpose**

This paper provides an update and assurance to the Boards of IWT and PHU on four key areas:

- Confirmation of an aligned strategic direction between the two organisations working as a Group
- That strategic alignment has been further developed into clear, measurable programmes of work, exploiting the benefits of working as an NHS Group, to deliver our commitments as measured through:
  - Delivery of operating plans
  - Mitigation of strategic risks

- Agreed priorities for the longer term
- That the leadership, governance and accountability arrangements are aligned as an NHS Group to deliver the shared vision and operating plan commitments
- Clear next steps to embed the priorities of the Group into the business of each Trust and to provide regular assurance reports to the Boards on progress

## **Background**

In March 2023, the Boards of IWT and PHU each considered the same strategic rationale paper on the future of the partnership (in place since 2019) and agreed its proposed next steps.

The paper set out the context and rationale for the 2019 partnership – a recognition by IWT that the long-term solution to address the challenge of providing clinically and financially sustainable services on an island lay in utilising the greater scale of mainland providers alongside strengthened leadership in IWT and the development of an effective Island-based health and care partnership.

The root causes were widely understood to be the physical isolation of the Isle of Wight, which made it more difficult to recruit and retain staff, and that the population served was too small to provide the critical mass needed to sustain high quality services. This manifests in sub-scale, fragile services, reliant on extensive use of temporary staff, that are often more expensive.

That paper acknowledged that, while the physical isolation would remain and with it the underlying “structural” recurring financial challenge directly associated with the unique nature of delivering essential local NHS hospital services, 24/7, to a physically isolated population, progress had been made on addressing the fragility of services through the 2019 partnership.

However, in working together, both organisations reflected that the barriers of organisational, leadership and governance arrangements were preventing the two Trusts from realising the opportunities and benefits of the partnership. Thinking to improve current delivery models was also being constrained by these boundaries rather than reimagining how care could be delivered in response to the challenges we face.

The strategic rationale concluded that:

**The partnership between Isle of Wight NHS Trust and Portsmouth Hospitals University NHS Trust had enabled clinical teams to work together to support a number of fragile services on the Island. But that the current partnership arrangements needed to change to enable the clinical model to be implemented.**

**Both Boards agreed that bringing our leadership teams and organisational strategies closer together was the only viable way forward to deliver the clinical and financial benefits needed to achieve a sustainable system and this this would begin with the appointment of a single Chief Executive to both Trusts with a mandate to create a single Executive Team and aligned leadership across the two, separate organisations.**

Other options were considered. The approach described above was selected because it provided the clarity of leadership required to drive the changes needed without the complexity and potential delay of undertaking a transaction. It was understood that the Boards of the two Trusts would continue to regularly and actively review the governance of the partnership. At each review point, the assessment would be made as to whether the governance arrangements continue to enable us to deliver our operational and strategic outcomes, or whether further changes are required. Further changes would only be made if they enable delivery of greater benefits, or delivery of benefits more quickly.

## **IWT and PHU NHS Group**

Over the last decade, the NHS provider landscape has evolved from around 250 separate organisations working independently and often in competition with each other, to today where there is a consensus that the future of health and care must be based on collaboration and partnerships at local level. This is

described in the purpose of the 2022 Health and Care Act which introduced new legislation to make it easier for health and care organisations to deliver joined up care and the formation of Integrated Care Systems, Integrated Care Boards and Provider Collaboratives.

The number of NHS Groups has been increasing following these legislative changes. An NHS Group is an organisational model which has no legal definition and can apply to a number of different arrangements, they can be uni-trust or multi-trust but broadly share common characteristics of a central leadership body with discrete locally managed units moving towards standardisation of processes. They are commonly forming due to barriers to realising system wide solutions or strategic advantages that Groups have over individual smaller organisations. Each model is different with its own merits. This is recognised in NHS guidance which focuses on the desired outcomes, rather than on the underpinning governance structure and that the 'best' model in one locality or organisation will not necessarily be right for another due to differing local challenges and opportunities.

The core elements of this IWT and PHU Group, agreed by both Boards and supported by H10W ICB and NHSE South East colleagues include:

- **Two Boards working together:** bringing joint leadership to the partnership, streamlined governance and appropriate focus and scrutiny on the work of the two Trusts
- A **single CEO and single executive team** with a mandate to develop the single service across two sites and to integrate corporate teams and functions
- QAH and SMH each to have a **Chief Officer and a site leadership team** of senior directors – retaining the leadership needed to manage two complex hospitals and systems
- **Single clinical services** designed and delivered across the two sites serving the combined population, sustainable in the long term
- A **single leader for each corporate service** who is given a mandate to lead the bringing together and redesign of the services across the two Trusts.

We have since agreed the design principle of 'working as one'. By adopting a 'working as one' approach, we are more likely to realise the benefits outlined in the introduction, while recognising the constraints of this Group including:

- The single requirements of two sites separated by water
- The statutory requirements of separate Trusts
- The need for our model to respect the unique identities of IWT and PHU, each with their own specific needs and local populations

Achieving this balance ensures that our approaches and decisions remain tailored to our communities in Portsmouth and on the Isle of Wight as outlined in our two Trust strategies, allowing engagement with local partners and stakeholders and preserving local autonomy.

This paper provides an update on the programme of work and progress to date to deliver against these commitments.

## **Strategic Alignment**

The publication of the IWT Trust strategy is formal confirmation of an aligned strategic intent between IWT and PHU through the statement of a Vision and five Strategic Aims in common. This is supported by a commitment that the two organisations will take a consistent, strategy deployment and improvement approach to the delivery of the vision and aims through the development of True North metrics, Strategic Initiatives, Trust Projects and Breakthrough objectives, sensitive to the needs of the individual organisation and the communities they serve.

The 'as one' commitment is characterised by the 'Working Together, Improving Together' focus of each strategy and while we have retained the values of each organisation, developed by our staff, we have a commitment to the development of a single behaviours framework.

### **Working Together, Improving Together Imperatives**

The success of our Trust strategies and the ability to deliver the benefits of the Group are dependant on six key programmes of work which we have called our 'Working Together, Improving Together Imperatives'.

Designed to create the conditions necessary for success, these Imperatives enable the delivery of the two Trust strategies and their year one deliverables as outlined in each Trust operating plan. Their significance extends beyond enabling strategies, they are essential imperatives on which our collaborative efforts must focus to deliver our shared vision.

The scope of the Imperatives includes a blend of short-term actions, task and finish initiatives and ongoing strategies extending over at least two years. While delivering the future visions of each is most important to get right, immediate milestones are crucial for laying the foundations for future success. Each implementation plan will encompass:

- Standardisation and reduction of variation between IWT and PHU
- Deliverables within this financial year to stabilise the Group and achieve our operating plans
- A roadmap and decision points eventually transitioning to business as usual or a continued enabling strategy

Each Imperative has a dedicated Executive senior responsible officer to steer the direction of each programme and ensure delivery of benefit, but collective ownership is required to be successful. This includes clear alignment and engagement from Trust Leadership Team (TLT) members to drive progress which will be regularly reported to Executive Team Meetings. With wider organisational engagement and feedback derived from our planned mid year review Autumn sessions at each Trust.

The six Working Together, Improving Together Imperatives are:

#### **Clinical model and supporting workforce redesign – John Knighton**

With our population ageing and the numbers of people living with multiple long-term conditions rising, the traditional model of hospital care, designed around the treatment of single diseases is increasingly misaligned with the realities of our community's needs.

We will work together to change the way we deliver care to better meet the needs of our patients. Working with our staff, partners, and community to design and implement a new model of hospital care.

Through 2024/25 and beyond we will:

- Develop and deliver a clear milestone plan for implementing indicated service changes enabling the benefits expected of the Non-Elective and Financial Sustainability strategic initiatives.
- Develop with services strategies and implementation plans to progress towards the defined clinical model
- Implement a workforce plan to enable the new clinical model ensuring we have the right technology and logistics in place to support it and care into the future

#### **Single corporate service for our Trusts – Mark Orchard**

For the new clinical model to function effectively, we are working together to implement single corporate services across the two Trusts, in 2024, supported by one agreed set of identical systems and processes, under single leadership. This will enable us to reduce duplication and maximise operational efficiency, making it easier for teams to work together across the two hospitals and introduce the new clinical model.

Through 2024/25 and beyond we will:

- Deliver the creation of a single corporate service through a task and finish approach
- Ensure the gateway from formation of new teams to them becoming business as usual and as effective as expected is planned
- Develop a single corporate service leadership structure and how the oversight of performance will be managed
- Link with the Hampshire & IOW scaling corporate services objectives under the workforce transformation programme to ensure we deliver those opportunities as a system

### **Common leadership, governance and reporting – Kelvin Cheatle**

The objective of this programme is to ensure that our Trusts and partnership have the leadership, governance and reporting systems they need to succeed. Aligning processes where effective to progress towards the standardisation of systems, policies and procedures across both Trusts to bring consistent governance and control systems and consistent reporting of quality, operational, workforce and financial performance.

Through 2024/25 and beyond we will:

- Deliver the acceptable maturity standards of the CQC Well Led framework as a Group
- Improve our planning and provision of leadership development including Board Development
- Develop our use of information and data to ensure we are enabling an evidence based approach across the Group

### **Common Digital systems – Nikki Turner**

PHU and IWT currently operate with separate IT systems, including different electronic systems for patient, staff and financial data. This makes it more complex and time consuming for teams to work together across the two hospitals, and limits the benefits that can be delivered through a new clinical model and single corporate services. The two Trusts have embarked on a process to converge onto a single set of digital systems to streamline working across the two hospitals and to reduce duplication.

Through 2024/25 and beyond we will:

- The task and finish elements of; aligning two organisations and assessing and mitigating the clinical systems risks
- Develop a digital strategy for IWT and PHU which delivers on the requirements of the clinical model
- Link with the Hampshire and IOW Digital Strategy to achieve opportunities at a greater scale

### **Strategy deployment and improvement approach – Lee McPhail**

Our continuous improvement approach is how we deliver our vision. It translates our vision and ambitions into a clear set of actions making it easy for our people and teams to see the part they play and the contribution they make. It breaks down our ambitions into smaller, meaningful improvements and directs our expertise and efforts into those things that are demonstrably going to make the biggest difference. It gives us confidence the actions each of us take every day are contributing directly to achieving our vision.

Through 2024/25 and beyond we will:

- Define the standard work required in each organisation
- Define a milestone plan that achieves progress towards full deployment of our improvement approach across PHU and IWT including front line teams
- Development and publication of the Single Behaviours Framework

### **Building partnerships to deliver integrated local care – Lee McPhail**

There is sustained high demand for urgent and emergency care in both the Portsmouth and South-East Hampshire (PSEH) and the Isle of Wight (IoW) health systems. Both PHU and IWT have high occupancy

rates with escalation spaces and additional surge spaces in use and high levels of patients with no criteria to reside.

System wide solutions are necessary in order to deliver sustainable improvements. To mitigate the risks we are working with Hampshire & Isle of Wight ICS and other providers to develop robust demand and capacity plans for the PSEH and IoW health systems, to ensure that patients are treated in the right place at the right time.

Through 2024/25 and beyond we will:

- Link to the six Hampshire and Isle of Wight Transformation programmes in Urgent Care, Discharge, Primary & Local Care, Planned Care, Mental Health, and Workforce to deliver on ICS opportunities
- Define a standard approach to engagement with partners in systems (IOW and PSEH) as well as with the ICS including how services are planned and contracted
- Define a milestone plan as lead providers to progress local delivery system maturity

## **Leadership, Governance and Accountability**

### **Performance and Accountability Framework**

The Performance and Accountability Framework establishes the principles and mechanisms for transparent governance, effective communication, and clear accountability within the IWT and PHU Group. The Framework is the primary performance management regime for the Trusts and covers all aspects of Trust and Divisional operating plans and sets out the expectations for the performance relationship between; the Board, the Executive Team, Trust Leadership Teams and Divisions.

It is a living document adaptable to changing circumstances and evolving needs providing a standardised approach across both Trusts reflecting two organisations, working in partnership as a Group. It is rooted in the principles of strategy deployment and our improvement approach key to sustainable success of both our Trusts.

It sets out three key principles:

1. Every interaction has an impact on the quality of care to patients
2. There is clear accountability for delivery across assurance, performance, strategy and improvement
3. One model, one approach – the framework will be applied consistently throughout both Trusts.

### **Executive Responsibilities**

Executives, as members of the Board, hold the responsibility for setting the strategic direction for the Group and providing the appropriate governance to ensure alignment across the two organisations. In practice this involves prioritising the work of the six Imperatives, alongside our three Strategic Initiatives and the pillars of our joint cost improvement programme for 2024/25 in the context of the six HIOW transformation programmes.

Also within their portfolios, Executives are expected to drive performance improvements, and facilitate cross-organisational collaboration to enhance service delivery. While being assured that the organisation adheres to all regulatory requirements, maintaining compliance with NHS standards and other relevant obligations.

Each year a structured process is in place for executives to agree on objectives collectively and with the Chief Executive, ensuring alignment between portfolios. The diagram in Appendix 1 outlines the scope and responsibilities of the different Executive portfolios, detailing the various functions that sit within each following changes necessitated by organisational redesign.



## **Matrix Working**

To effectively deliver the Group model, we have implemented a matrix leadership structure, where Executive Directors hold professional accountability and Chief Officers hold line management responsibility. This means all Trust Leadership teams roles report directly to each Chief Officer but also to another member of the executive team. By having dual lines of accountability, TLT can align their activities and objectives with both site specific and Group wide strategic goal, this ensures the work of TLT members is in alignment with the broader strategic objectives and standards of the Group as well as each Trust.

This offers the following benefits and is described within Appendix 1 :

- Enhanced coordination and consistency
- Improved communication
- Flexibility and adaptability
- Professional development
- Best use of resources

### Next Steps

1. The Boards will receive an update against the six Working Together, Improving Together Imperatives at its next Board in September 2024 – this will continue every other month, with an update against each of the Trust strategies at the intervening meeting.
2. 'Autumn Sessions' will be run in each organisation as a mid-year review against our strategic and operational commitments, set in the context of the Purpose and Benefit of the Group through the lens of the six Imperatives
3. 'Go live' date for single corporate services 1 November 2024, subject to the consultation process that commenced on 29 July 2024
4. Regular engagement with, and development of, the IWT and PHU Senior Leadership Team will continue to ensure that our collective leadership is aligned to the vision and purpose of our Trusts Working Together, Improving Together
5. To note that the delivery of the Trust and Group strategic direction is in the context of the HIOW ICS strategy and transformation programmes with updates also reported to subsequent Boards meetings