

Greater Glasgow NHS Board

**Board Meeting
Tuesday, 17th February, 2004**

Board Paper No. 04\07

Chief Executive, GGNHSB

PARTNERSHIP FOR CARE – DRAFT SCHEME OF DELEGATION

Recommendation: The Board is asked to:

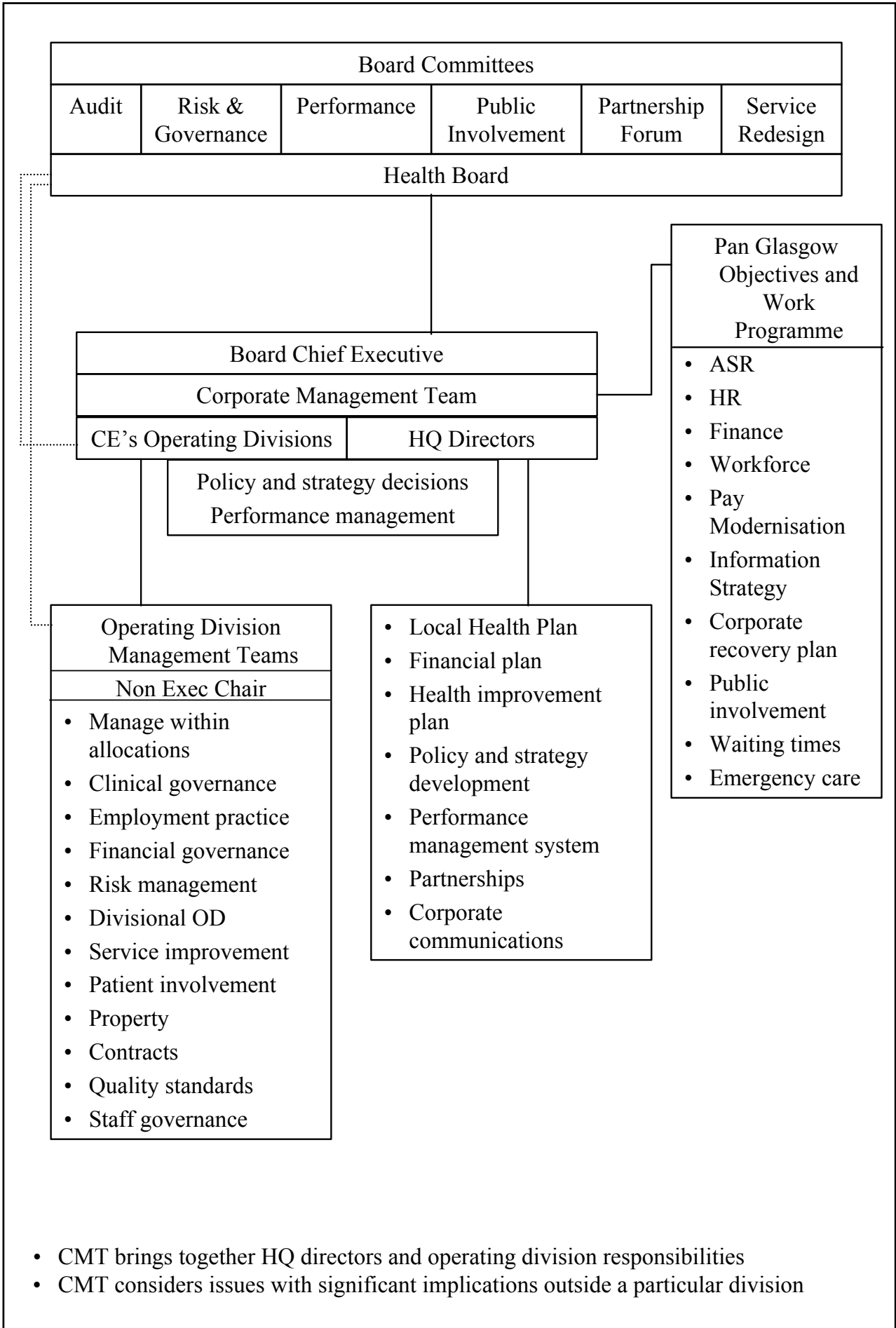
- i) consider this draft Scheme of Delegation which this paper sets out;
- ii) to agree that the draft Scheme, subject to discussion and amendment by the Board, be developed in discussion with staff partnership and other key interests such that a final Scheme can be brought back for decision in April, 2004.

1. Introduction

- 1.1 In response to Scotland's White Paper "Partnership for Care", the NHS Board has been developing its arrangements for the move to single system working across NHS Greater Glasgow. When the Board considered the responses to consultation at its meeting in December, 2003 and agreed that a draft Scheme of Delegation should be brought to the Board for discussion in February, 2004.
- 1.2 This paper pulls together the key elements of a high level Scheme of Delegation for the Board's consideration. It describes the levels of responsibility of the Board, the Operating Divisions and the Corporate Management Team and proposes some further work, developed in partnership during the next two months, in order to deliver in the Spring of this year an agreed, updated Scheme of Delegation.

2. Roles and Responsibilities - An Overview

- 2.1 This section briefly sets out roles and responsibilities in a schematic way. This framework will serve as the construct within which detailed schemes of delegation and the arrangements described in the rest of this paper will be developed.
- 2.2 The diagram below illustrates the key roles and responsibilities of each element of our unified system of working. The Corporate Management Team is the critical pivot which brings together responsibilities for operational and strategic functions, health service management, health improvement and partnership working. The illustration sets out lead responsibilities in the context of the collectivism of the Corporate Management Team. It is also likely that there will be further changes to these relationships and structures as Community Health Partnerships develop, with their substantive responsibilities for health improvement, planning and partnership.



3. Governance – The Way Forward

- 3.1 In order to help shape the governance arrangements within single system working, members of the Audit Committees within NHS Greater Glasgow explored the options for the future in three workshops with PricewaterhouseCoopers, the External Auditors and Deloitte and Touché, the Internal Auditors. The key principles adopted in developing the recommendations for the future were that there must be clear lines of accountability – in terms both of governance and operational decision-making responsibilities – and that robust governance arrangements were in place within the Operating Divisions. It was recognised that the arrangements proposed must meet the needs of NHS Greater Glasgow, reflecting the size of the new combined organisation and take account also of the availability of Board Members to participate in the structures devised.
- 3.2 The three main pillars of governance will continue to be discharged by the NHS Board through its Audit Committee, Staff Governance Committee and Health and Clinical Governance Committee. The Board may wish to take the opportunity to review the composition of these Committees as part of the further development of single system working.
- 3.3 The strong view which emerged from the Audit Workshops was that Governance Forums should be established within the Operating Divisions. These would support the work of the Governance Committees of the NHS Board through developing the governance responsibilities within Operating Divisions. The workshops considered two options for implementing the establishment of a single governance forum within each Operating Division. The first would involve the convergence of the separate Governance Committees at Divisional Level into a single forum over a period of twelve to eighteen months. The second, and preferred, option would see the establishment of a single governance forum from 1st April, 2004, or as quickly as was practicable thereafter, recognising the need to ensure completion of the Annual Accounts processes for the current financial year.

4. Financial Scheme of Delegation

- 4.1 All NHS Scotland organisations have to meet a single, national target: it requires Boards “to stay within the revenue and capital resource limits in a sustainable way”, i.e. to achieve financial break-even, one year on another. The Board’s Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures adopted within the Board. Their purpose is to ensure that the Board’s financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. These SFIs which most recently were revised in September, 2002 in order to reflect the move towards single system working, are in themselves part of a wider Risk Management Strategy which seeks to safeguard all of the processes of the NHS Board.
- 4.2 The SFIs define, in their key chapters, the main elements of the financial scheme of delegation. Thus, section 2 covers allocations, business planning, budgetary control and monitoring; section 7 covers the planning of health care, including the arrangements for approving the Local Health Plan; while section 12 covers capital investment and the associated policies and procedures. The NHS Board’s over-arching SFIs are supported by individual Trust\Division financial procedures.

EMBARGOED UNTIL DATE OF MEETING.

4.3 The spending limits which form part of the SFIs are largely externally set and thus define the scheme of financial delegation. Health Department letters set down the thresholds which apply to the approval of capital investments and to disposal of assets. As one example, from 1st April, 2004, for non-IT projects, NHS Boards can approve a single business case with a project value up to £5 million; the current threshold for Board approval is £1.5 million. For IT projects, Board approval is restricted to a project life cost of less than £1 million over the first four years. Any higher investment proposed requires approval of the Scottish Executive Health Department.

5. Human Resources Scheme of Delegation

5.1 From 1st April, 2004, NHS Greater Glasgow becomes a single employer following the dissolution of the four NHS Trusts. The Scheme of Delegation in its human resources context must support corporate governance at Board level with devolved powers to Operating Divisions responsible for delivery.

5.2 The creation of an effective system-wide HR Strategy will address several key priorities: these include the development and delivery of a comprehensive Workforce Strategy; the achievement of best practice in staff governance; the drive to enhance partnership working across the NHS Board area; support for the service and pay modernisation agenda, including pay determination and staff terms and conditions of employment; and ensuring the appropriate leadership and management of organisational development and change.

5.3 Within the context of a single employer, Operating Divisions will hold delegated authority that enables them to work effectively without constant reference to the NHS Board to implement the Board's Strategies in Partnership; to develop and deliver Divisional Action Plans to meet local priorities; and to work in partnership with frontline staff and Trade Unions to develop a culture that delivers the key tenets of the "Partnership for Care" White Paper.

5.4 As with the Financial Scheme of Delegation, there already exist detailed policies and procedures which cover the full spectrum of HR activity. The move to a single employer must ensure fairness and consistency of people management policy and practice on a pan-Glasgow basis, underpinned by the principles of partnership working. Thus, it is proposed that, during the next two months, there is a detailed review undertaken in partnership of these key policies and procedures in order to ensure that the Scheme of Delegation finalised in the Spring of this year is underpinned by partnership agreement of any procedures which require amendment.

One example may help illustrate the need for overhaul of the procedures. Currently, the NHS Trusts are the major employers within the City. Thus, the operation of the policies and procedures in relation to matters of employee conduct, capability and concerns is a matter for each employing authority. It is necessary to review policies and procedures of this kind, in partnership, to ensure that agreed arrangements, which reflect the PIN Guideline are in place within the updated Scheme of Delegation.

5.5 In order to ensure that the NHS Board can discharge its policy and leadership responsibilities in its role as a single employer, the Board should have a designated HR Director, and an Executive level Manager to lead on workforce development and pay modernisation.

6. Re-drawing the Board's Business Cycle within Single System Working

EMBARGOED UNTIL DATE OF MEETING.

- 6.1 During the past six months, the Performance Review Group and the Corporate Management Team have been established; both Groups are now settling into a programme of work and pattern of meetings in support of the Board's strategic decision-making responsibilities.
- 6.2 When members of the Board began discussions during Autumn of last year on the move to single system working, there was an enthusiasm among Board Members to see the Board's business cycle redrawn, not least in order to create more opportunities for dialogue between Members of the Board and members of the public. The potential benefits in having more meetings in that format were seen in the many positive responses made to the amended format for the Board's public Annual General Meeting, held in early November, 2003.
- 6.3 It is proposed, therefore, that formal meetings of the NHS Board and of the Performance Review Group should be held on alternate months, on a two-monthly cycle. In addition, an extra Board meeting would be held in July for the purpose of receiving the Annual Accounts, with arrangements continuing also to hold a public Annual General Meeting in November.
- 6.4 In addition to these eight NHS Board meetings\events, it is proposed two further "open" meetings be held in the course of the year. Some Members have specifically suggested that it would be beneficial to hold these "open" meetings within other parts of NHS Greater Glasgow such that Members of the Board were able to meet, in time, with those in each of the local authority communities which form part of NHS Greater Glasgow.
- 6.5 It would remain open to the Chairman to call any further meetings of the NHS Board which were required in addition to this proposed cycle of meetings. It would similarly be open to the Chair of the Performance Review Group to arrange any additional meetings which that Group felt were required, in addition to the two-monthly cycle proposed from the beginning of the new financial year.

7. Next Steps

- 7.1 Subject to discussion and amendment by the Board, it is proposed that this draft Scheme of Delegation be developed in discussion with staff partnership and other key interests during the next two months so that a final Scheme can be brought back to the Board for decision in April of this year.

T.A. Divers
Chief Executive
0141 201 4642