STATES OF JERSEY

HEALTH AND SOCIAL CARE SYSTEM: A NEW GOVERNANCE MODEL

Lodged au Greffe on 23rd June 2017
by the Council of Ministers

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to approve the establishment, for a 3-year trial period, of a 'Health and Social Care System Partnership Board', which will inform and influence the decisions taken by the Minister for Health and Social Services in accordance with the governance model for the Health and Social Care system contained within the report accompanying this proposition, to be funded from within the existing Health and Social Services Department budget.

COUNCIL OF MINISTERS

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REPORT

1. Introduction

1.1 Local context and case for change

In 2011, the States of Jersey completed a review of the Health and Social Care system. The review concluded that the system needed to change significantly in order to meet the challenges caused by increasing demand and demographic change.

The review concluded in P.82/2012: *Health and Social Services: A New Way Forward*, which followed public consultation on a Green Paper – R.63/2011: *Health and Social Services Review May 2011: Caring for each other, Caring for ourselves – Consultation Paper*; and a White Paper – R.82/2012: *Health and Social Services White Paper: Caring for each other, Caring for ourselves – Public consultation*.

Key aspects of the Health and Social Care reform include –

- investment and development in all parts of the Health and Social Care system
- more partnership working and integration between different providers and sectors
- a system-wide approach to service planning and delivery, including listening to Islanders
- enhancing governance across the system.

Since 2012, the States has developed an extensive network of new and enhanced services in the community. As part of this, a broader range of organisations are delivering significant and increasing elements of service, and many stakeholders are involved in developing strategies (e.g. for Mental Health, Primary Care and 'Out of Hospital' services).

These changing roles and relationships, plus the development of a system-wide and integrated approach to the planning and delivery of services, has created concern amongst some stakeholders about their involvement in the strategic governance of this emerging whole system. Many stakeholders feel that an even stronger partnership approach is needed, and that this should provide real inclusivity and influence across the Health and Social Care system.

In 2016, the Council of Ministers asked the Minister for Health and Social Services to review the strategic governance arrangements to ensure that Jersey has the most effective Health and Social Care system for the future.

The development of the new governance system has been led by stakeholders from across the Health and Social Care system. KPMG has provided specialist input, including knowledge of international governance systems and expert facilitation.

1.2 Key features of the proposed new governance model

The new governance model will support the aims of partnership and integration; it will help balance the need for effective collaboration and healthy competition between providers and stimulate high-quality 'value for money' services. It will also ensure that providers, stakeholders and Islanders are genuinely included in developing the system and influencing strategic decisions.

The new governance model, including a Health and Social Care System Partnership Board, would be introduced as a pilot for 3 years. This will enable the model to be tested and evaluated against its aims of –

- greater public voice in strategic discussions
- increased visibility and transparency for Islanders
- more clinical and professional influence in strategic deliberations at the highest level
- a greater opportunity for the Voluntary and Community Sector to be fully involved
- an independent Chair and Non-Executive Directors, reporting directly to the Minister, providing independent assurance
- improved cross-system leadership and partnership working
- shared decisions and improved accountability between service providers.

1.2.1 Ministerial role and responsibilities

The ministerial role and the functions of the Health and Social Services Department will remain unchanged. The Chair of the Health and Social Care System Partnership Board will agree objectives with the Minister at the beginning of each year, related to the development and delivery of options for the provision of Health and Social Services, as set out in the Medium Term Financial Plan, and would agree a Memorandum of Understanding ("MOU") with the Minister regarding objectives, responsibilities and accountabilities. The Health and Social Care System Partnership Board would be held to account for achieving the objectives through regular reporting to the Minister.

1.2.2 Broader representation and influence

A key feature of the new governance system is that plans for transforming Health and Social Care would be devised, reviewed and overseen by a Health and Social Care System Partnership Board, comprising representatives from across Health and Social Care, the Public and patients, clinical and professional representatives, and the Voluntary and Community Sector. It would be independently chaired and include 2 Non-Executive Directors. This diversity of input would ensure a broad-based influence, with a particular focus on making Islanders' lives better and on redesigning services. The Board will provide advice and recommendations for service development and redesign to the Minister.

1.2.3 Hearing the Public and service user voice

A Public and Patient Advisory Group will be developed, and will be able to influence discussions, along with a strengthened Voluntary and Community Sector Forum and Clinical and Professional Forum. Representatives will participate fully in the Health and Social Care System Partnership Board; the Chair will ensure they have equal opportunity to contribute and be heard, and therefore to have influence and provide views about services.

1.2.4 Improved alignment of provider performance

A 'compact' will be developed between service providers to govern behaviours, values, service delivery, and partnership working. This would be the first step towards formalising patient and client pathways and encouraging greater integration of services. A 'Charter' would provide clarity to Islanders regarding what they can expect from their Health and Social Care services.

1.2.5 Creating a supporting culture and organisational development

Culture, values and leadership are critical to delivering the Health and Social Care reform programme; the Health and Social Care System Partnership Board will embody this. In 'Shaping our Future', the Chief Executive of the States notes: '*By concentrating on our people and our culture ... as well as how we deliver services for Islanders ... I'd like to see an organisation that is excited by the possibilities, that constantly looks for ways to innovate and that puts customers at the heart of every decision*'.

The Health and Social Care System Partnership Board will be introduced using an organisational development, cultural change and leadership development approach, which will improve relationships, secure commitment towards a shared vision and create true partnership working. It will change the conversations, secure cross-system accountability and focus on performance.

1.3 Achieving momentum and pace – key next steps

Stakeholders are enthusiastic about the new governance model and are keen to maintain momentum in order to deliver the benefits as soon as possible. They recognise the need to have an ambitious implementation timeframe so that the Health and Social Care System Partnership Board can be fully functional by the end of 2017.

Should the appointment of an independent Chair and 2 Non-Executive members be approved, the Health and Social Care System Partnership Board, Clinical and Professional Forum, Public and Patient Advisory Group and Voluntary and Community Forum will be introduced on a pilot basis for 3 years in order to test the acceptability, impact and outcomes of the new governance model.

2. The need to reform the governance model for the Health and Social Care system

2.1 The current situation

Objective 1 in the States Strategic Plan is '*Redesign of the health and social care system to deliver safe, sustainable and affordable health and social services'*.

In accordance with P.82/2012, services need to be safe, sustainable and affordable into the future, and need to be integrated and both planned and delivered in partnership. This requires new mechanisms for designing and delivering strategic change, along with evidence-based, integrated pathways which are appropriate for Jersey.

The groundwork for these significant transformational changes and the reform of the Health and Social Care system has been largely completed; the system now needs a step change in its reform, in order to broaden the influence on the Health and Social Care system developments and ensure continued robust governance.

The new governance model has been designed with a wide range of stakeholders from across Health and Social Care, including Primary Care, Voluntary Sector and Public/ patient/service user representatives. They highlighted a number of areas which could be strengthened.

2.1.1 Developing and implementing strategy

Voluntary and Community Sector and Primary Care organisations are delivering significant and increasing elements of service provision. This has changed the nature of the role of the Health and Social Services Department from purely provider to provider and 'commissioner'. As a result, the relationship between the Department and external providers has also changed, with many stakeholders being involved in developing strategies (e.g. for Mental Health, Primary Care and 'Out of Hospital' services), as well as providing elements of the services that flow from these strategies.

However, in the context of the changing roles and relationships, plus the development of a system-wide and integrated approach to the planning and delivery of services, some stakeholders believe that accountability, responsibility and degrees of autonomy for system leadership are not clear. The current Transformation Steering Group provides strategic oversight and co-ordination for the system transformation set out in P.82/2012; this comprises Health and Social Services Department Executive and Medical Directors, Primary Care, Voluntary and Community Sector, Social Security and the Treasury. It meets monthly, but there is a belief amongst some stakeholders that this approach is weakened by a lack of an independent leadership and assurance across the Health and Social Care system, and that some partners have more ability to influence than others. Many stakeholders feel that an even stronger partnership approach is needed and that this should provide real inclusivity and influencing opportunities across the system.

Some stakeholders noted that decision-making could be slow and feels remote, leading to a lack of operational flexibility and lack of responsiveness to the issues of the day. Access to politicians was seen to be helpful; however, it was noted that it can lead to high levels of ministerial engagement in operational issues. Issues are sometimes escalated that should be dealt with at an operational level.

2.1.2 Hearing the Public's voice

Whilst the Public and service users are close to the politicians, which means there is strong democratic accountability, there is no consistent and co-ordinated approach to capturing the Public's input to inform strategic debate. The lack of formal governance structures which involve the public view means there is a lack of real power for patients and the Public to be represented in strategic planning and development. Hard-to-reach groups are heard even less.

The Public's experience and expectations are not used to routinely measure performance, other than for P.82/2012-funded services and services with external partners, where metrics are provided which include the views of service users and staff.

There is a pressing need to strengthen the voice of service users, carers and Islanders in strategy, planning and oversight of Health and Social Care. This has been achieved in some areas, such as the Mental Health Strategy, and there now needs to be a consistent and robust mechanism for ensuring that Islanders are able to contribute to Health and Social Care strategy, and to ensure clear and direct accountability and visibility over the services that are provided.

2.1.3 Clinical and professional involvement in strategic decision-making

Clinicians and professionals, including Primary Care and the Voluntary and Community Sector, are involved in the detail of P.82/2012 work-streams; for example, in the Out-of-Hospital' strategy, and in devising new patient and client pathways. However, they are under-represented at the highest levels of strategic deliberations. The Clinical Forum is in its infancy and currently does not meet on a regular basis, nor does it have a clear remit and recognisable strong influence in strategic clinical and professional issues.

This is replicated in the Voluntary and Community Sector. Through the governance review, key organisations have met and are developing a Voluntary and Community Forum. However, this is not yet formalised and would require a clear role and remit and resources in order to operate effectively and be a fully representative voice, with influence in strategic and governance discussions.

2.1.4 Creating a supporting culture and organisational development

Stakeholders noted the significant benefits of working in small teams with easy access to one another. However, the system's current organisational development capacity is limited, and what is available is not consistently provided across the system. The Health and Social Services Department does not have an organisational development team, function or capacity. To date there has been limited investment in developing cross-system leadership skills and developing a clear shared set of values and expectations which could help staff across multiple organisations focus on common goals.

The States of Jersey has a set of values –

- customer focus
- constantly improving
- better together
- always respectful
- we deliver.

Other organisations within the Health and Social Care system have their own set of values.

Stakeholders voiced concern that changing governance models would not achieve the desired outcomes if culture and behavioural change is not achieved. For this reason, a large component of the governance model changes must consider the cultural changes required and be cognisant of the Jersey cultural environment.

2.1.5 Effective advisory support

Stakeholders highlighted that whilst the Health and Social Care system has a number of highly-skilled, knowledgeable professionals and staff, there are instances where specialist advice and support may be required in order to bring different perspectives and insight into matters such as international perspectives on service development. The current system does not overtly encourage or require such input or seek a joint 'voice' from other parties outside the local Health and Social Care system.

Some stakeholders also noted the reliance on external advice and expertise when making significant decisions. It was suggested that there could be alternate ways to 'bring in' expertise, such as using other parts of the system in a more effective way. An example of how this could work is the emergent Clinical Forum, which was introduced in 2016 and aims to bring together professionals from across Health and Social Care to redesign pathways and build effective relationships.

2.1.6 Service provider alignment

Health and Social Care providers (both 'in-house' and independent providers) work together to deliver care; but there is no single, aligned co-ordination of this care and oversight of performance from a system perspective. There is also an opportunity to have greater contribution from service providers across the system to increase their influence.

2.2 The implications of doing nothing

Significant progress has been achieved in transforming the Health and Social Care system as set out in P.82/2012: *Health and Social Services: A New Way Forward*. A range of new and improved services are now in place, and service providers are increasingly working well together. However, if the new governance model is not implemented, the implications are –

- Health and Social Care governance is perceived as not fully inclusive of the stakeholders across the system, in particular:
    - Islanders' views and voices are not heard or taken into account in strategic discussions
    - Health and Social Care partners (particularly the Voluntary and Community Sector) do not have equal voice and influence in strategic deliberations, service planning and performance monitoring, and do not feel fully 'part of the system'
    - limited clinical and professional voice in strategic deliberations.

- No independent Chair and Non-Executive Directors:
    - the cross-system strategic decision-making group is not independently led
    - no Non-Executive Directors ensuring robust corporate governance and accountability
    - no independent advice to the Minister regarding Health and Social Care issues and options, cross-system delivery and accountability.
- No change in culture:
    - minimal change towards collegiate, partnership working at a strategic level
    - the system does not hold partners to account for delivery.
- Gaps in access and inequality increase, slow progress is made on truly integrated working, with missed opportunities to improve value for money:
    - care pathways are not devised or implemented – not a seamless, person-centred approach to care provision with safety and financial risks in terms of gaps and duplication.

3. How the proposed new system was developed

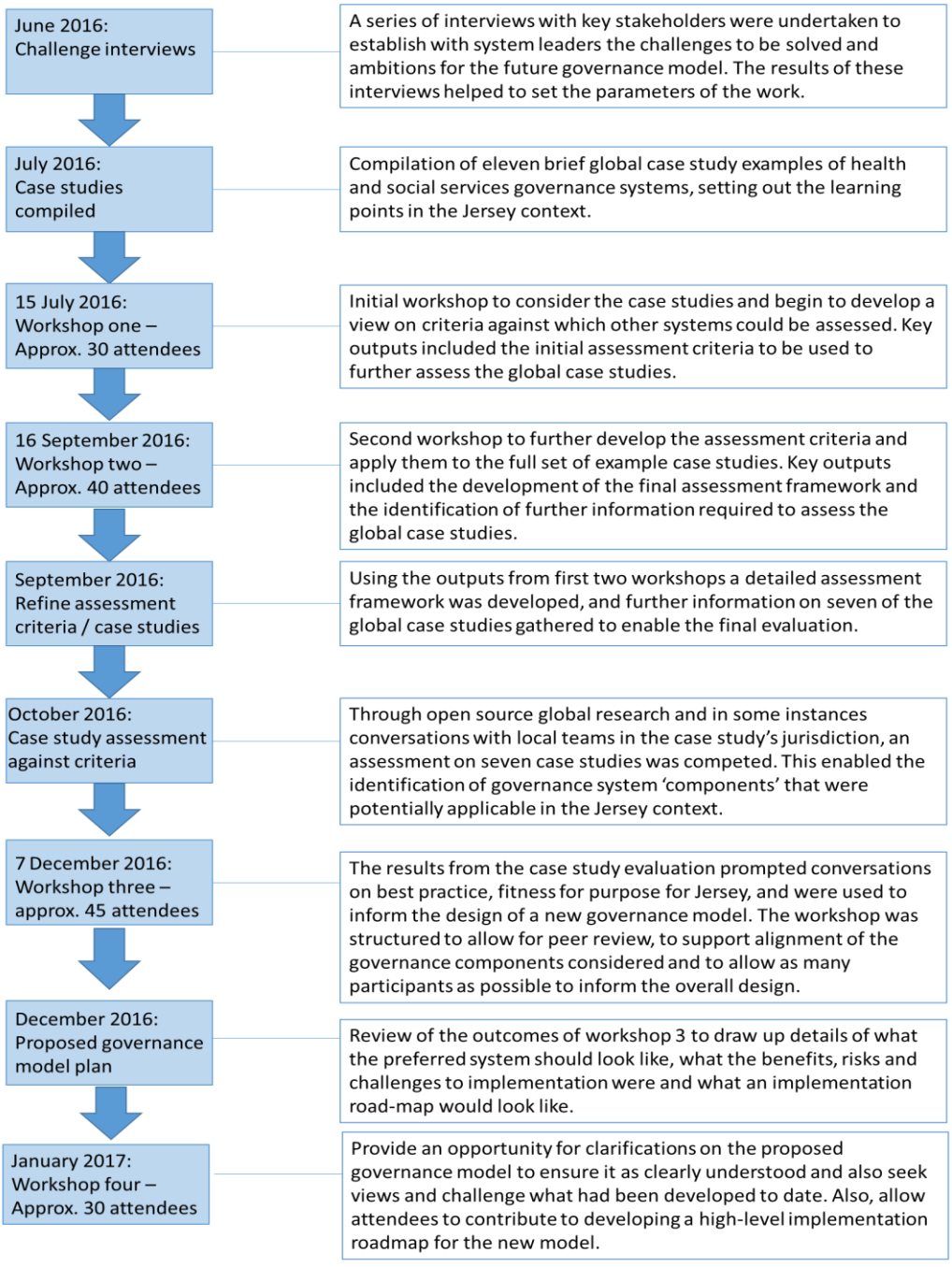
Two key principles were applied in the development of the new governance model:

1. Co-production across the Health and Social Care system – through a combination of interviews and workshops, attended by Voluntary and Community Sector providers, public representatives, Primary Care (G.P.s and Pharmacists) and Health and Social Services Department staff.

2. Consideration of international examples of Health and Social Care governance and how they could be applied in Jersey.

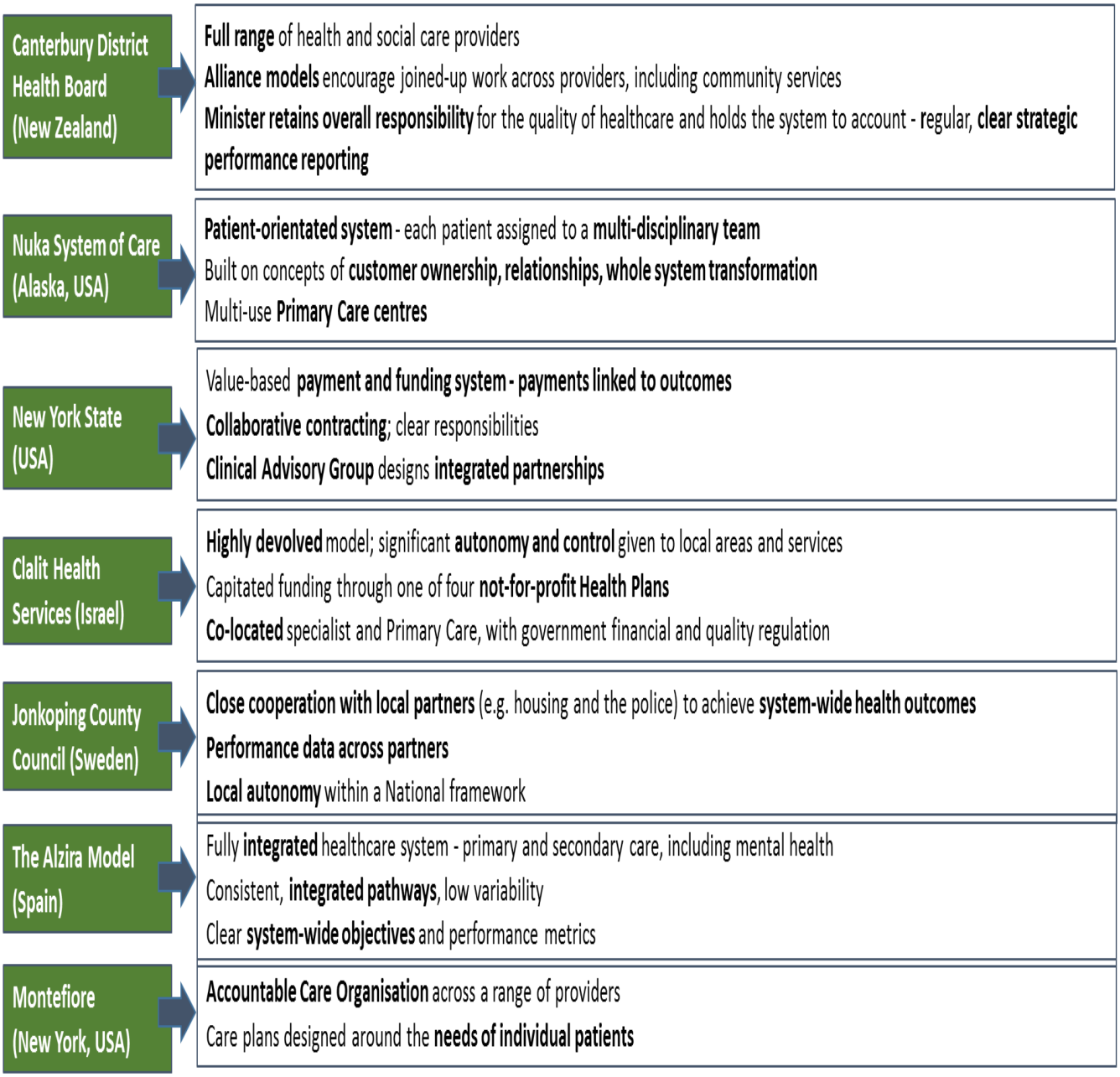
3.1 The process

The following illustration summarises the design approach –



3.2 International examples

In developing the most appropriate model for Jersey, a number of international examples were considered. These were shortlisted to 11 models, and were based on relevance of geography, structure of funding and provider systems, and successful Health and Social Care integration –



4. The proposed new governance model for the Health and Social Care system

4.1 Benefits of the proposed new governance system

Implementing the new governance system would deliver a number of benefits across the system –

- Health and Social Care governance becomes inclusive of the stakeholders across the system, in particular:
    - Islanders' views and voices are taken into account in strategic discussions, so that decisions are appropriate, in line with the needs of Jersey, and Islanders feel involved, informed and valued
    - Health and Social Care partners (particularly the Voluntary and Community Sector) have an equal voice and influence in strategic discussions, service planning and performance monitoring, so that they feel involved, informed and valued, such that service developments are achievable and non-Health and Social Services Department partners have increased opportunities to deliver care and to develop as organisations, providing increased choice and value for money
    - appropriate clinical and professional voice in strategic discussions, so that the clinical and professional risks and benefits of strategic options are fully considered, and evidence-based, value for money decisions are made.

- Independent Chair and Non-Executive Directors:
    - the independent Chair has a specific role in providing assurance and advice to the Minister, and would be perceived by stakeholders as having no conflict of interest or vested interest
    - the independent Chair would ensure that the voice of the Public is encouraged in meetings, and that clinicians, professionals and the Voluntary and Community Sector have an equal voice with Health and Social Services Department officers and the ability to influence strategic discussions and service planning, in return accepting greater accountability
    - non-Executive Directors would ensure good corporate governance and accountability, ensuring transparency and evidence-based, value for money, recommendations to the Minister.

- Change in culture:
    - developing true partnership working, with all parties working towards the same strategic goals (including safety, sustainability and affordability), rather than focusing on the impact on their own organisation
    - partners working together to produce solutions, resolve issues, prioritise investments and service delivery and present a unified approach
    - a clear, agreed set of behaviours, with individuals held to account for those behaviours
    - holding one another to account for delivery, which would reduce delays and duplication and improve the return on investment into service development.

- Gaps in access and inequality reduce, good progress on truly integrated working, improved value for money – integrated care pathways are implemented – a seamless, person-centred approach to care provision, with safety and financial benefits from reducing gaps and duplication.

- A 'LEAN'-based approach to reducing waste by improving decision-making, standardisation, listening to the voice of the customer and voice of the business:
    - robust, evidence-based recommendations and actions, informed by Islanders, service providers and clinical and professional colleagues, which means new services should be 'right first time'
    - speedy decision-making, with the right individuals involved, demonstrating the agreed behaviours, which reduces steps in the decision-making process and reduces the risk that key stakeholders disagree with decisions and planned changes are therefore delayed
    - reduced duplication in service through agreed care pathways which are person-centred and integrated
    - reduced variation in service delivery and in inequality, through agreed, consistent pathways and care
    - improved visibility regarding service performance, with service providers holding each other to account
    - improved funding-flows and incentives, to encourage appropriate patient and professional behaviours, e.g. attending G.P. rather than Emergency Department at the Hospital, integrated/pathway funding to incentivise providers to work together and share risk.

4.2 The ministerial role

The role of the Minister for Health and Social Services will remain broadly the same. The main difference would be that the Minister could take advice from the Health and Social Care System Partnership Board and would have a clear relationship with the Chair of the Board. The Minister would set the Board clear objectives and, through the Chairman, would hold the Board accountable for the delivery of those objectives.

Overall accountability will remain with the Minister; the whole system of providers, working through the Board, will be able to offer advice and recommendations to the Minister. The Minister will –

- agree the system-wide objectives, with advice from the Health and Social Care System Partnership Board
- formally hold the system to account
- set policy, high-level strategic direction and outcomes
- be politically accountable, and accountable to the Public for the Department and the system
- secure States' funding, receive and present business cases for additional funding
- along with the Council of Ministers, devise and deliver the States' Strategic Plan
- adhere to States-mandated, formal ministerial processes, e.g. Ministerial Decisions, Propositions, Scrutiny Panels, etc.

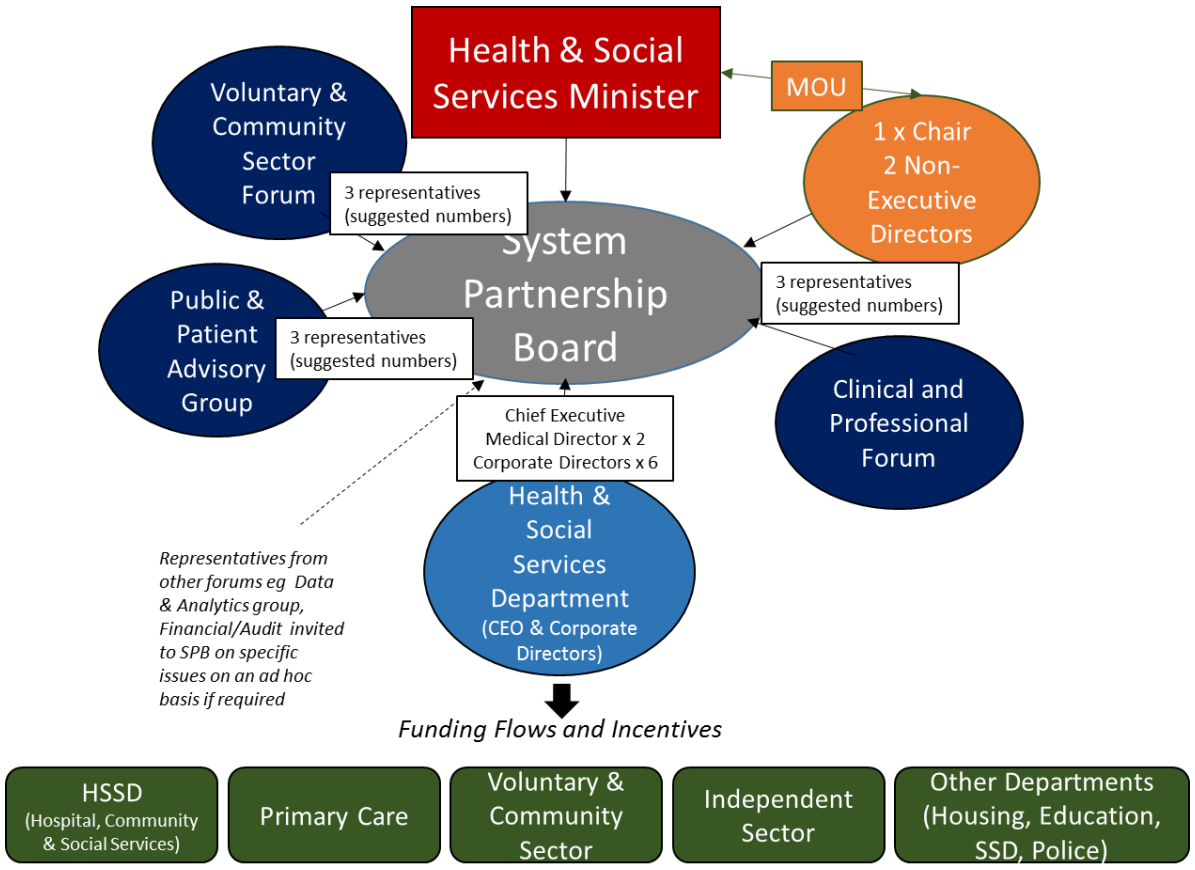
The Health and Social Care System Partnership Board will support the Minister by producing some of the documents, briefs and reports required for formal processes.

The Minister will agree a Memorandum of Understanding with the Chair of the Health and Social Care System Partnership Board setting out clear roles and responsibilities including (but not limited to) development of strategic options and recommendations for change, outcomes, value for money and accountability. The Chief Officer of the Department, whilst a member of the Strategic Partnership Board and working in support of the Chairman of the Board, will be fully accountable to the Minister and will retain their responsibilities as Accounting Officer.

To ensure adequate oversight, the Minister would hold quarterly meetings with the Chairman and receive regular formal reports from the Health and Social Care System Partnership Board on the progress and achievement of the agreed objectives. Clear metrics will be agreed and provided to give confidence to the Minister of the system's position and performance.

4.3 Strategy in partnership

The high-level structure of the new model is as follows –



The high-level functions of the model's components are –

- **Minister for Health and Social Services –** The ministerial role continues as it is today, with the Minister remaining fully accountable for Health and Social Care. Ministerial processes will remain with roles focused on policy, high-level strategic direction and accountability.

- A new **Health and Social Care System Partnership Board** with responsibility for strategic deliberations and recommendations to the Minister (including P.82/2012, the Health and Social Care system reform and transformation programme). The Health and Social Care System Partnership Board will comprise representatives from the Public, patients, the Voluntary and Community Sector, Health and Social Care professions, and Health and Social Services Department.

- An independent **Non-Executive Director** will chair the Health and Social Care System Partnership Board, and the Board will also include a further **2 Non-Executive Directors**, together providing governance oversight.

- The Health and Social Care System Partnership Board would be supported by 3 key advisory groups that would bring broader system representation in developing strategy, including:
    - A formally constituted and resourced **Public and Patient Advisory Group**, comprising individuals with an agreed set of skills and expertise who can be effective in influencing the work of the Board.
    - Strengthened **Voluntary and Community Sector Forum** representing the needs of the broader system partners and advising on the impact of strategic and service changes and on the pressures and challenges within the sector.
    - Strengthened **Clinical and Professional Forum** advising on patient/client safety, quality assurance, and service redesign.
    - Other groups will also support the Health and Social Care System Partnership Board and be invited to attend Board meetings on an *ad hoc* basis to advise on specific matters if required. For example, the Health and Social Care System Partnership Board may call upon the Data and Analytics Group (to assist with overseeing the provision of data and information) and the Financial/Audit Group (to provide advice on fiscal matters and provide confidence in financial deliberations and value for money).

- The Health and Social Care System Partnership Board will have formal strategic links to wider States Departments such as Education, Housing, and the Strategic Public Health Unit, in order to ensure integration of agendas.

- A 'compact' would be introduced between service providers regarding values, behaviours, service delivery, performance, partnership working and accountability. Tailored agreements will also be developed between providers to support integrated working for specific pathways to help drive integration and improve service delivery and care.

One of the critical factors highlighted by stakeholders was that the new model should be introduced though an Organisational Development approach. This means that the model's introduction will be seen not only as a change in processes and structures, but also (and perhaps more importantly) as a new way of working. It therefore needs to be supported by training and leadership development activities that will help foster changes in culture, values and behaviours so that the model can work effectively and deliver the intended benefits.

5. Collective responsibility under Standing Order 21(3A)

The Council of Ministers has a single policy position on this proposition, and as such, all Ministers, and the Assistant Ministers for Health and Social Services, are bound by the principle of collective responsibility to support the proposition, as outlined in the Code of Conduct and Practice for Ministers and Assistant Ministers (R.11/2015 refers).

6. Financial and manpower implications

6.1 Financial implications

The proposals in this Report will be funded though the existing Health and Social Services Department budget for the 3 years of the pilot. This is anticipated to be c. £150,000 per year, which will enable the Health and Social Care System Partnership Board to be populated with a Chair and 2 Non-Executives, and will enable the 3 advisory groups to function effectively.

6.2 Manpower implications

Implementing the proposed new governance model will be largely undertaken by existing staff.

Short-term, additional resources are required to support the implementation of the pilot and organisational/leadership development.

A part-time Chair and 2 Non-Executive Directors will be required to lead the Health and Social Care System Partnership Board, for the 3 years of its pilot, along with an officer to support the Health and Social Care System Partnership Board and the 3 advisory groups.

There would therefore be one additional FTE required; this would be met from within the Department's existing approved FTE limit.

7. Conclusion

In 2016, the Council of Ministers asked the Minister for Health and Social Services to review the governance arrangements for Health and Social Care and ensure that Jersey has the most effective Health and Social Care system for the future.

This is a strategic imperative, which is the next step change in reform following P.82/2012: *Health and Social Services: A New Way Forward*, and is consistent with the States' Reform programme.

The new governance system has been co-produced by a range of stakeholders from across Health and Social Care, including the Voluntary and Community Sector, Primary Care, Public/patient/service user representatives and the Health and Social Services Department. It has been supported by KPMG, which has brought international models for consideration.

Stakeholders are committed and enthusiastic about the proposed new governance model; they are keen to maintain momentum in order to ensure that, by 2018, there is –

- greater public voice in strategic discussions and planning
- increased visibility and transparency for Islanders
- more clinical and professional influence in strategic discussions at the highest level
- a greater opportunity for the Voluntary and Community sector to be represented
- an independent Chair and Non-Executive Directors, reporting directly to the Minister and providing external assurance and oversight
- improved cross-system leadership and partnership working
- improved accountability between service providers.

The new system of governance will be piloted for 3 years to confirm the extent to which it meets the aims stated above; the Minister will remain accountable for Health and Social Care decisions, reporting through the Council of Ministers to the States Assembly.