MEETING
JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE
DATE AND TIME
FRIDAY 26TH JANUARY, 2018
AT 10.00 AM
VENUE
CAMDEN

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
1.	SUPPLEMENTARY AGENDA	3 - 34

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NORTH CENTRAL LONDON JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE

FRIDAY, 26 JANUARY 2018 AT 10.00 AM
COMMITTEE ROOM 4, TOWN HALL, JUDD STREET, LONDON WC1H 9JE

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SUPPLEMENTARY AGENDA

Issued on: Monday, 22 January 2018

NORTH CENTRAL LONDON JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE - 26 JANUARY 2018

SUPPLEMENTARY AGENDA

7. NCL ESTATES STRATEGY (Pages 5 - 18)

To consider an update on the NCL estates strategy.

REPORT TO FOLLOW

9. NCL RISK REGISTER (Pages 19 - 32)

To consider the North-Central London risk register.

REPORT TO FOLLOW

AGENDA ENDS

The date of the next meeting will be Tuesday, 6 February 2018 at 2.00 pm in Committee Room 4, Town Hall, Judd Street, London WC1H 9JE.

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in health and care

NCL NHS Estates

Simon Goodwin

NCL Chief Finance Officer

26th January, 2018

NORTH LONDON PARTNERS in health and care

This update will cover

- What does Devolution mean for NCL?
- What does the Naylor Report mean for NCL?
- Update on the main Estates priorities in NCL
- Governance
- Next Steps in the next six months

What does Devolution mean for NCL in terms of Estates?

Devolution Commitments

1

A **London Estates Board (LEB)** to provide a single forum for NHS estate discussions in London, and in which to exercise devolved powers, including delegated business case approvals.

- The LEB was formed in December 2016 and meets bi-monthly to discuss estates matters.
- The LEB includes representatives from NHSE, NHSI, DH, HMT, STPs, CCGs, Providers, GLA, local government, NHS PS, CHP and OPE.
- The LEB is working with STPs and local areas to develop an up-to-date asset register and project list, and is brokering discussions to accelerate progress on identified priority sites.

2

A **London Estates Delivery Unit (LEDU)** to consolidate and align regional and regionally-based national resource to augment local/NHS trust estate expertise, planning and delivery capability.

- The LEDU was established in May 2017 and brings together all five STP areas, alongside representation from NHSE, GLA, property companies and OPE.
- A clear set of common estate themes have been identified for London as well as the requirements to manage and implement change.
- The LEDU has set up working groups to develop guidance, policy and clarity on numerous different estate matters.

3

Capital receipts generated by the London system **being retained within London** for reinvestment in health and care.

- National partners have agreed in principle to NHS Trusts and Foundations Trusts in London retaining capital receipts, on the basis that the LEB will identify how to reinvest these receipts to support agreed system-wide health priorities.
- The LEB is working with STPs to develop a pan-London capital plan based on robust local and sub-regional estates capital strategies.

4

Partnership working to **optimise the utilisation of the NHS estate.**

- A number of NHS sites are not being used to their full potential, with an estimated 15% of total NHS assets under-utilised.
- With support from local, London and national partners, the LEDU is working to prepare a London report on NHS estate utilisation.
- Once complete, the LEB will consider the recommendations set out in the report.

Phase 2 functions and what this means for NCL

Phase 2 Functions

Continue to provide **single forum for NHS estates** discussions and enable whole system strategic estates planning, building a London view from local and sub-regional estates strategies

Support local and sub-regional areas **to develop clear estates strategies** aligned to clear commissioning strategies.

Develop a **clear capital plan for London**, drawing from local and sub-regional estates strategies and ETTF bids. Supported by a clear list and status **of prioritised capital cases** under development.

Develop a prioritisation framework for decisions.

Develop a **robust and professional business case support function** within the LEDU to support local and sub-regional areas.

Support sub-regional and pilot estates boards to take on **robust governance and accountability** functions to a sufficient standard to enable delegations and devolutions from national partners to be made to sub-regional level.

Consider **the recommendations of a London report on NHS estate utilisation.**

Work with **national partners** to explore how **incentives** for the health and care system to release surplus land can be optimised.

Work with DH, NHSPS and CHP to develop an approach for NHSPS and CHP investments and sales, which balances national and London needs and priorities.

Work with DH and sub-regional areas to ensure that when **surplus NHS sites are released**, this is done with due consideration of wider local health economy and public sector opportunities.

Phase 3 Gateway Criteria

Established business case support function

Clear local and sub-regional estates strategies aligned to commissioning strategies

Clear capital plan for London

Pipeline of sites and agreed prioritisation framework

Agreement from national partners for the LEB to commence shadow running.

Evidenced collaborative working

Agreed governance and key appointments

Signed MoU relating to internal delegations.

LEB membership review

Requirements of NCL to enable progress to Phase 3

The LEDU is working with STPs to assess the resourcing need to support business plan development. As part of this, practitioner training has been proposed for all Steering Group members. NCL to continue to support this work as required, and commit relevant NCL representatives to attend training.

NCL to review local estates strategies holistically to ensure that they are in alignment relevant commissioning strategies.

NCL to continue to work to produce a strategic estates plan, built up from a clear clinical strategy, which will feed into the London capital plan.

NCL working to prepare a complete prioritised pipeline of sites, using a standardised prioritisation methodology as agreed with the LEDU.

NCL continuing to work collaboratively with the LEDU, LEB and London and national partners on estates matters, to focus on how they can work together to unlock site-related issues and deliver progress.

NCL agreeing a strong and established governance structure which brings together CCGs as well as Trusts, including the appointment of key roles.

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What does the Naylor Report mean for NCL?

1) **Establish a powerful new NHS Property Board** which provides leadership to the centre and expertise and delivery support to Sustainability and Transformation Plans (STPs). It should be a strategic organisation, at arms-length from the Department of Health and structured so that it empowers speedy executive action and professional credibility within the sector. To include a regional structure, which is aligned with NHS England (NHSE) & NHS Improvement (NHSI) and brings together functions of NHS Property Services (NHS PS), Community Health Partnerships (CHP) and other fragmented NHS property capabilities into a single organisation.

Response: Not yet happened

2) **Establish the NHS Property Board in shadow form immediately** (involving key staff from NHS PS and CHP) and substantively by April 2018. It should consider if the functions and residual assets it inherits from the abolition of Primary Care Trusts (PCTs) should be divested back to providers. In the interim NHS PS and CHP should focus on addressing their well-documented operational challenges.

Response: No discussions underway yet in London

3) **The NHS Property Board should urgently bring together and expand the current strategic resources**

into a new national strategic planning and delivery unit to support local areas and strengthen capacity to deliver major projects.

Response: Awaited

4) **The NHS Property Board should be the primary voice to the system on estate matters** and should work with national bodies to ensure that the system receives clear and consistent messages about the importance of developing a modern fit for purpose estate, releasing land and addressing backlog maintenance.

5) **The NHS Property Board should produce improved guidance on estates planning and disposals** for the NHS, covering the scope of estates planning, accessing private sector expertise, models for affordable housing for NHS staff and partnerships with both housing associations and developers.
Response: Awaited

6) **The NHS Property Board should produce improved guidance on building standards so they support the Five Year Forward View (5YFV) and deliver value for money.** This should gather evidence on the most appropriate estate models through the vanguards programme and should prioritise new guidance on primary care facilities.
Response: Awaited

7) **The NHS Property Board should improve transparency and intelligent use of data.** This should include extending the minimum estates dataset to cover all NHS funded care, improving the quality of existing data collections and taking ownership for the future development of the benchmarking developed as part of this review.
Response: No change as yet

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8) **The NHS Property Board, in partnership with other national bodies, should review processes to ensure they are proportionate and effective.** It should particularly consider the business case process, which is often seen as cumbersome, and a block to estates development.

Response: Processes have not yet changed to reflect this

9) **STPs should develop affordable estates and infrastructure plans**, with an associated capital strategy, to deliver the 5YFV and address backlog maintenance. These plans should be supported by robust business cases. The new NHS Property Board should support the development of these plans.

Response: Underway across both NCL and London as a whole

10) **STP estates plans and their delivery should be assessed against targets informed by the benchmarks developed for this review**. STPs and their providers, which fail to develop sufficiently stretching plans, should not be granted access to capital funding either through grants, loans or private finance until they have agreed plans to improve performance against benchmarks.

Response: This will follow on from 9

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11) At a minimum, the Department of Health (DH) and HM Treasury (HMT) **should provide robust assurances to STPs that any sale receipts from locally owned assets will not be recovered centrally provided the disposal is in agreement with STP plans.** This report recommends that HMT should provide additional funding to incentivise land disposals through a "2 for 1 offer" in which public funds match disposal receipts.

Response: The '2 for 1 offer' has not been implemented. No change yet in authorisation/decision-making processes re receipts

12) NHSE and NHSI should provide guidance on the relative roles of providers and STPs with respect of estate matters.

Response: No new guidance as yet

13) NHSE and the NHS Property Board should ensure primary care facilities meet the vision of the 5YFV. This should consider linking payments to the quality of facilities and greater use of fit for purpose standards. The NHS Property Board should support GPs to meet these standards, taking advantage of private sector investment.

Response: Good ambition, feels like there is an increase in primary care capital availability

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14) Land vacated by the NHS should be prioritised for the development of residential homes for NHS staff, where there is a need. The NHS Property Board should support this.

Response: Welcome aspiration, nothing yet materialised though

15) Urgent action should be taken to accelerate the delivery of a large number of small scale and low risk developments to deliver housing.

Response: GLA becoming more involved, housing began to be discussed at London Estates Board

16) All national bodies should work together, sharing intelligence, to develop a robust capital investment plan for the NHS by summer 2017. This should maximise value for money and make a strong case for securing both the public and private investment the NHS needs.

17) Substantial capital investment is needed to deliver service transformation in well evidenced STP plans. We envisage that the total capital required by these plans is likely to be around £10bn, in the medium term, which could be met by contributions from three sources; property disposals, private capital (for primary care) and from HMT. **Introduction**

Sir Robert Naylor, 31.03.2017: www.gov.uk/government/publications/nhs-property-and-estates-Naylor-review

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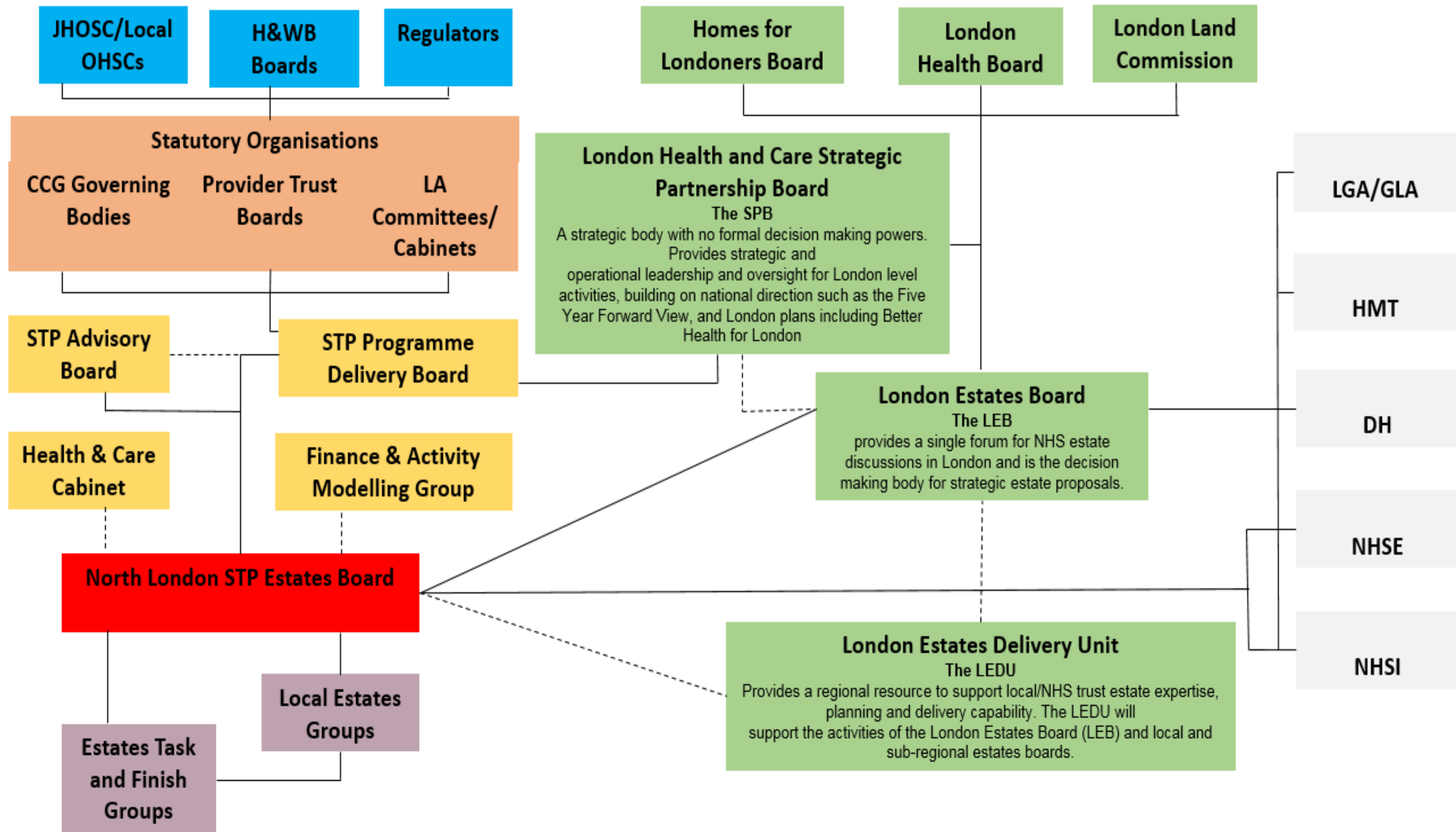
Estates Projects in NCL

- STP Priorities
- The big Capital schemes
  - St Ann’s
  - St Pancras
  - Moorfields
  - Edgware Community Hospital
  - Finchley Memorial Hospital
- Disposals
- Voids

North London Estates Board Governance Structure and Operating Context



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Next Steps

- Progress the big capital schemes
- Refresh the Estates Strategy
- Continue with void reduction work

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Joint Health Oversight and Scrutiny Committee

26 January 2018

Strategic risk management across North London Partners in Health and Care

NORTH LONDON PARTNERS in health and care

Outline of pack

- Purpose of paper
- What: Our definition of strategic risk management
- Why: The importance of strategic risk management
- Where: Risks across programmes and organisations
- Leadership and governance across North London Partners
- How:
  - Role of the programme board
  - Process (for active monitoring and management)
- View of current strategic risks
- Challenges
- Next steps: improvements to risk management

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Purpose of paper

This paper is designed as briefing for the Joint Health Overview and Scrutiny Committee on the North Central London (NCL) sustainability and transformation plan (STP) approach to strategic risk management. It outlines the approach to risk management and rationale for risk management across the programme.

It provides a view of the current high level risks and the next steps to review risks and management of these.

N.B. This work aligns with but not duplicate the creation of an NCL CCG risk register, for risks the CGGs are best placed to managed collectively such as retention of workforce.

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What: definition of strategic risk management

- Strategic risk management is the active management of the strategic factors that could prevent or impact the ability of North London Partners in delivering the programme aims.

- Risk management is a crucial part of the approach, structures and processes of the partnership and those involved in delivering the programmes of work.

- Sits within the formal governance of the programme as part of how we want to work effectively and transparently with partner organisations and local governance bodies

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Why: The importance of strategic risk management

Across North London Partners, effective risk management should lead to:

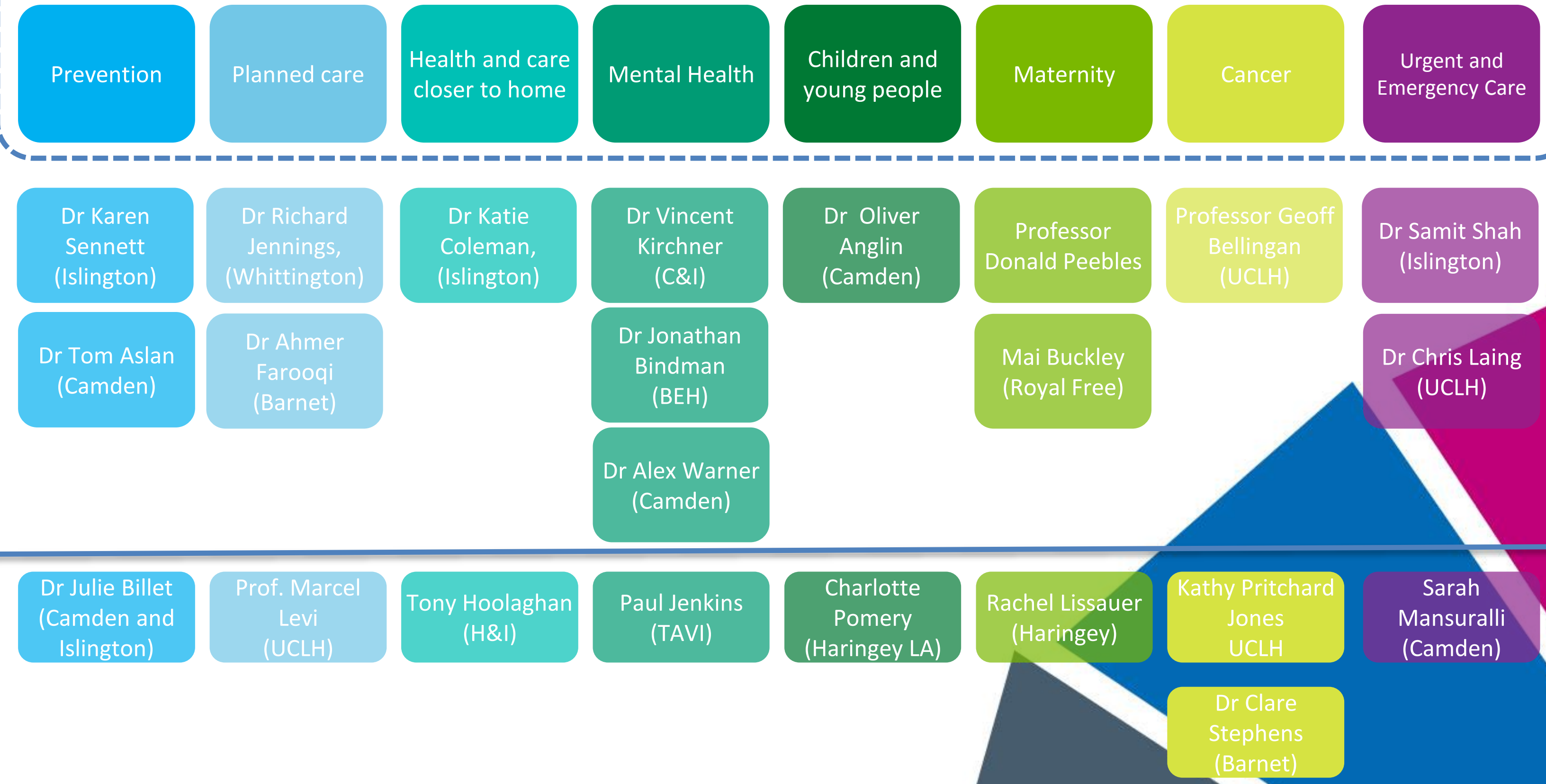
- Improved likelihood of meeting aims and objectives of programme
- More consistent decision-making based on good quality information
- Clearer lines of accountability across the partnership
- Avoidance of costly or avoidable mistakes
- Improved value for money – through ensuring focus on key barriers to success and increasing likelihood of delivery
- Increased ability to respond quickly and effectively to changes

Where: Risks across programmes and organisations

Risks can emerge from across the 13 programmes of work (listed overleaf) or from interdependencies between them. Therefore, in order to manage this effectively, the workstreams are represented on the STP programme board by each Senior Responsible Officer (SRO) (see next slide for clinical and SRO leadership).

In addition to programme risks, the programme could be impacted by individual organisaitons risks. Although the programme is not responsible for managing these, the STP programme board should also be sighted on any impact on oganisational risks via it's membership.

Leadership and governance across North London Partners



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How: management of strategic risks

Role of the STP Programme board

- The STP programme board is the escalation point for risks and defines the tolerance for management of risks across the programme
- Members of the programme board are assigned key strategic risks
- The board scans horizon for overlooked risks and appropriate management of these as well as receiving regular reports on risks being managed at a workstream level
- The board works within the principles for good governance set out for the NCL STP (see appendix 2)
- The board also delegate management of lower level risks appropriately in line with the risk process (below)

Process (for active monitoring and management)

- Risks are managed at a workstream level with senior responsible officers (Board level directors or equivalent) responsible for these unless escalated to the programme board due to level of risk (see risk scores on next slide).
- Workstream level risks are assigned a lead to take forward appropriate mitigating actions and report on progress.

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The matrixes here are used throughout the programme to score, escalate and manage risks.

Risk Assessment Matrix

Impact		Likelihood				
		Rare 1	Unlikely 2	Possible 3	Likely 4	Certain 5
Catastrophic	5	5	10	15	20	25
Major	4	4	8	12	16	20
Moderate	3	3	6	9	12	15
Minor	2	2	4	6	8	10
Negligible	1	1	2	3	4	5

Risk level	Approach
Extremely high	Immediate action required and regular monitoring by the workstrean and STP programme board
High	Action required and regular monitoring at programme and if appropriate programme board
Medium	Programme lead to manage and monitor and maintain strict controls, additional action is discretionary
Low	Review at regular intervals action discretionary

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View of current risks

The below are the current high level risks across the programme that have been identified and owners assigned. More detailed work on management of these will form part of a full review of risks to take place over the coming months.

Risk	Category	Likelihood	Impact	Owner
We do not work effectively with local communities to design and implement successful changes	Reputational	3	5	Helen Pettersen
Plans do not enable sector to meet control total	Financial	4	3	Simon Goodwin
Operational issues during winter prevent longer term planning and change	Operational	4	3	Paul Sinden
Partner organisations are not effectively involved	Reputational	2	5	Helen Pettersen
Changes proposed do not have impact required	Clinical/Financial	2	5	Jo Sauvage/Richard Jennings & Simon Goodwin
Complexity of various different (unaligned) regulatory frameworks slows or stalls progress	Legal	3	3	Will Huxter/Helen Peterson

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Challenges

Risk management is ineffective when it is an add-on rather than integrated with other strategic and management processes. It is ineffective if the following exists:

- 'Silo' working rather than strategic approach at programme, organisational and board levels
- Lack of systematic approach i.e. risk management is not automatically embedded in strategic and day-to-day decision making
- Lack of understanding of benefits of effective risk management, its purpose and relevance for organisations involved in the programme
- Where it is considered purely a compliance exercise
- Lack of individual responsibility, lack of interest in, or awareness of risks and their management
- Weak or absent risk management processes or reporting
- Lack of clear reporting of risks and their management through organisation to senior management and strategic board

We know that as we move into implementation, we need continue to actively manage and improve processes to overcome the above challenges.

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Next steps: improvements to risk management

- As we move to further implementation, we are looking to refresh and improve our risk management approach
- This will include a review of risk identification and management processes against public sector best practice
- This will link with the work on an NCL CCGs risk register – aligning risk scoring and escalation to ensure clear ownership of risks (without duplicating)
- We will be working with leads identified to ensure adequate management of risks identified
- In line with best practice on transparency we will aim to publish our strategic risk register - aim is to publish once review complete in April 2018

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Appendix 1: Governance principles

Agreed principles of governance across the programme

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Principles of governance

The proposed set of principles for the NCL STP system governance, which have been developed collaboratively and endorsed by the STP Programme Delivery Board and Transformation Board are outlined below:

- ***Participation:*** Representation and ownership from health and social care organisations, local people and lay members to clearly demonstrate collaborative and representative decision making.
- ***Collaboration:*** All parties will work collaboratively to deliver the overall NCL STP strategy, in the best interests of the wider system and local people.
- ***Engagement:*** Local people will be engaged and involved in the NCL STP governance to ensure their feedback and views are considered in the decision making processes. This engagement should operate at 2 levels; individual level and organisational level (i.e. via patient representative forums and other local community groups).
- ***Accountability:*** Define clear accountabilities, delegation procedures, voting arrangements and streamlined governance structures to support continuous progress and timely decision making. Delegation of work to the groups with the relevant expertise and authority to deliver it.
- ***Autonomy:*** Recognise the autonomy of the health and social care partners of the NCL STP. Operate in a manner that is compliant with legal duties and responsibilities of each constituent organisation and the NHS as a whole (e.g. legal responsibility for consultation on service changes). Ensure alignment with the local organisations' governance and decision making processes recognising statutory and democratic procedures.
- ***Subsidiarity:*** Ensure subsidiarity so that decisions are taken at the most local level possible, and decisions are only taken at a system level where there is a clear rationale and benefit for doing so.
- ***Professional Leadership:*** Demonstrate strong professional leadership and involvement from clinicians and social care to ensure that decisions have a robust evidence based case for change and senior level support.
- ***Accessibility:*** Ensure complete transparency in all decision making to support the development of mutual trust and openness between organisations. Provide the necessary assurance to system partners on key decisions. Collaborative working and information sharing between working groups to ensure consistency.
- ***Good Governance***: Recognise that good system level governance will require robust planning and horizon scanning to ensure that proposals are presented to the statutory organisations in a timely way, that align with their local governance and decision making processes. However, where necessary local organisations will try to be flexible to support the system level governance