

**NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST**

**BOARD OF DIRECTORS' MEETING**

**Meeting Date:** 28 October 2015

**Title and Author of Paper:**

Transforming Corporate Services Update – Lynne Shaw, Deputy Director of Workforce and OD, Programme Director, Transforming Corporate Services

**Paper for Debate, Decision or Information:** For Information

**Key Points to Note:**

- Corporate Services transformation has been ongoing since 2014
- Approximately 900 staff affected
- £3.7m recurrent savings to be made 2015/16 and 2016/17
- Phase 1 consultation closed on 2 October 2015
- Devolved model to be implemented
- Transition arrangements currently being discussed with the expectation that changes in responsibility/accountability for post holders in Phase 1 will be undertaken by 1 January 2016
- Staff will be appointed into post over the next few weeks
- Phase 2 discussions to commence early November.
- Changes to the pay arrangements for staff in Phase 1 will be discussed at the Remuneration Committee.

**Outcome required:** For information.

# Transforming Corporate Services Update

28 October 2015

## **Purpose**

The purpose of this paper is to provide the Trust Board of Directors with an update on the Trust's corporate services transformation programme. It details the process and progress to date as well as providing a brief overview of the transition and implementation plans.

Appended to this document are final structure charts for Phase 1 of the programme.

## **Executive Summary**

The corporate transformation programme has been ongoing since 2014. It was the 4<sup>th</sup> transformation programme to develop with a core aim of ensuring that our future corporate services are positioned to meet the needs of our customers, both internal and external whilst aiming to deliver £3.7m recurring savings over a two year period.

The programme has been jointly sponsored at Executive level by Lisa Quinn and Lisa Crichton-Jones with Programme Director responsibilities fulfilled by Lynne Shaw, Deputy Director of Workforce and OD and Tracey Sopp, Head of Accounting and Processing.

There are approximately 900 staff across corporate services departments (including Estates and Facilities staff) and following a large engagement exercise to assess the current 'as is' position and generate ideas for future models, the programme has been managed in two phases. Phase 1 relating to postholders at Bands 8A and above and Phase 2, all staff at Band 7 and below.

The model for Phase 1 has recently been subject to consultation and implementation is about to commence. This will be closely followed by preparations and consultation for Phase 2 with a move to shadow form from 1 January 2016 and full operation from 1 April 2016.

Thus far approximately £2m of savings have been identified and are on track for delivery, comprising pay and non pay savings, and a balancing figure of approximately £1.7m is to be delivered from Phase 2.

Overall, the model will aid delivery of devolution and the draft Guiding Principles, which the Board have considered as part of earlier development sessions.

Performance and risks have been reported and monitored through the Transformation Programme Board.

## **Engagement with staff**

All staff within corporate services were given the opportunity to contribute to the future model and were afforded the opportunity to talk about their roles, their teams, their directorate and how their work fits into the wider corporate services structure. Over 160 workshops/meetings were held over this period and over 800 suggestions for improvement were collated. Some of these suggestions were implemented along the way, others helped to inform the model and others are still to be considered during the implementation phase of this programme.

Similarly, staff from clinical services fed back about their experiences of corporate areas and helped inform the proposed future direction.

The internal feedback provided the baseline for the development of the proposed model. Key areas/themes included:

- Too many corporate “silos”
- Too many small teams, too many lone specialists
- Too many layers of management
- Lack of autonomy, accountability and decision making
- Corporate areas should be more aligned to clinical services
- One size fits all is often not the most efficient
- Bureaucratic systems and processes
- “Bouncing” across corporate areas
- System improvements needed in many areas of corporate services
- Work is often not done at the appropriate levels.

## **Future Design Principles**

A set of future design principles were agreed to address some of the feedback received in particular:

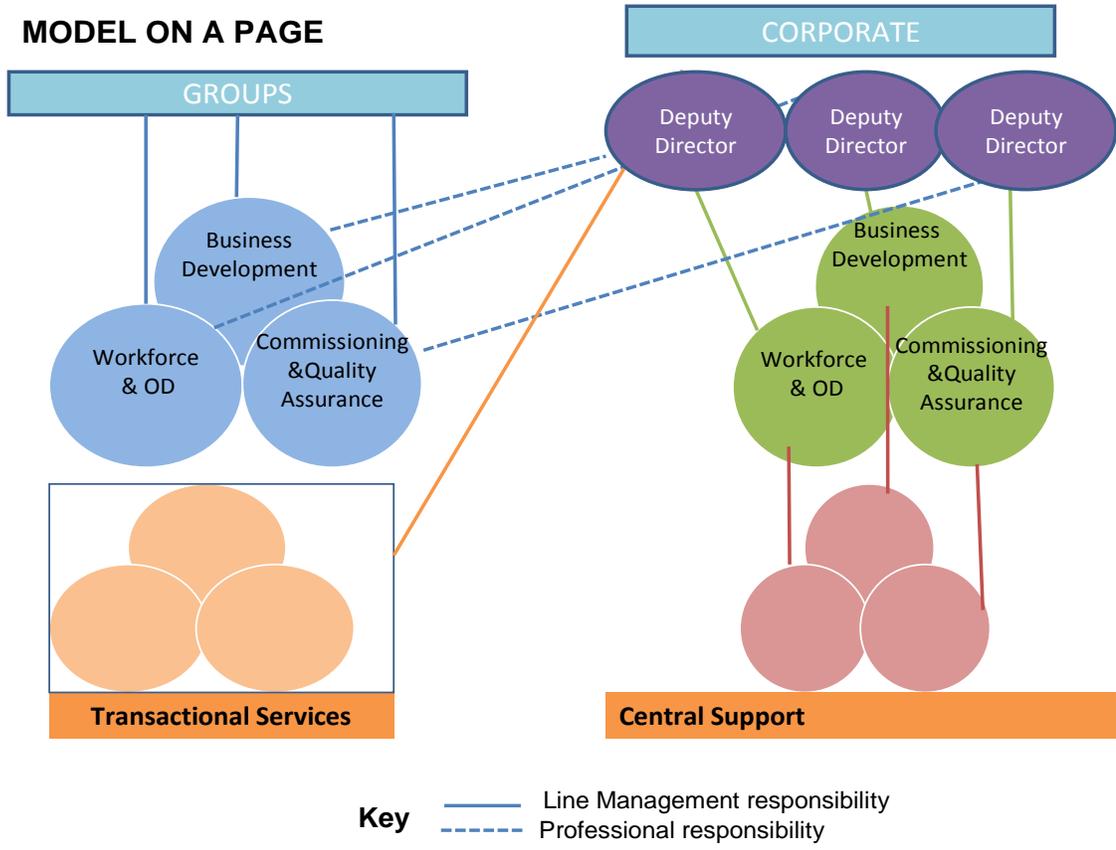
- Greater devolution and greater local decision-making
- Less one size fits all
- Greater accountability and autonomy
- Reduced bureaucracy and the move towards guiding principles
- Teams designed to better support the Trust and operational Groups and breakdown corporate silos

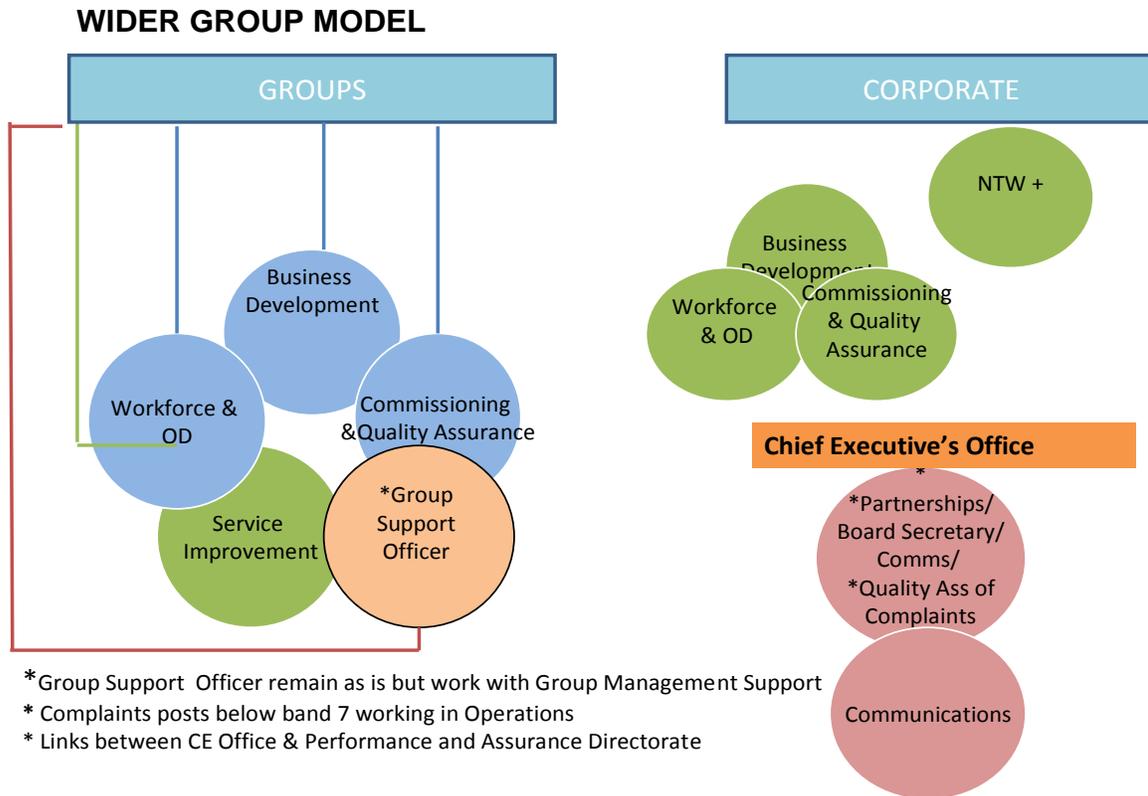
## **The Model**

The model to be implemented is shown below. The rationale of this model is the need to move towards a more decentralised/devolved approach with the overall philosophy that if work can be done by the Groups and/or at the lowest possible level then this should be achieved.

This model will bring benefits to clinical services as there are clearer lines of responsibility/accountability with direct line management from within the Groups.

Professional responsibility will be provided by the relevant Deputy Directors. Co-location with colleagues will assist the development of a business unit where group management support can work more closely together to achieve the Group objectives.





### Cost Savings

The corporate services transformation programme has a target to save £3.7m of recurrent savings over the financial years 2015/16 and 2016/17.

Due to the early work on areas of non-pay and work in Estates and Facilities the programme is on target to deliver approximately £1.5 m and with savings identified as part of Phase 1 a further £0.5 m should be realised.

This leaves a balancing figure of £1.7 m to be delivered from further non-pay savings and changes arising from Phase 2.

### Phase 1 Consultation

Following several weeks of engagement and discussion with staff both in corporate services and those in operational areas the formal consultation for Phase 1 of corporate services transformation commenced on Wednesday 2 September 2015.

Four meetings were held between 2 September and 9 September for those staff directly affected by the proposals and staff were also afforded the opportunity for individual meetings. The consultation closed on Friday 2 October 2015.

## **Main Themes**

Most feedback supported the philosophy of a more devolved way of operating as this enables those staff working into Groups to work more closely as a business unit. There were some reservations about how the model would work in practice and an acknowledgement that it will take time to adapt to the new ways of working both for the corporate services staff themselves and for the operational management in clinical areas.

There were a small number of comments relating to workforce and also to the finance/commercial posts and this has resulted in changes to the proposed structures and job titles. Other themes related to professional and personal development, the transition period and implementation.

In addition to the feedback received from those affected UNISON provided a written response to the consultation, in particular relating to the following areas:

- HAY Evaluation / Local Pay
- Cost Savings
- The use of Meridian and Capsticks

A formal response has been sent to UNISON and a further meeting has been set up to discuss the points raised.

## **Transitional Period**

A number of points have been raised regarding the transition period between the senior post holders being appointed and the model being fully operational. This piece of work is the next main focus and will be discussed over the next four weeks with the expectation that the shift in responsibility/accountability for post holders in Phase 1 will be undertaken by 1 January 2016.

Ken Tooze, our OD expert consultant, has been working with both the Groups and senior corporate staff over the past few months to support a move to the new model. This work will continue through Phase 2 of the programme.

## **Implementation**

Staff will be appointed into post over the next few weeks in line with the agreed HR Framework. An initial meeting with appointed Deputies is scheduled for early in November and a wider meeting week commencing 23 November 2015 to begin Phase 2 work.

## **Conclusions**

The Board of Directors is asked to note the content of this paper.

**Lynne Shaw**  
**Deputy Director of Workforce and OD**  
**19 October 2015**