

SOUTH STAFFORDSHIRE PCT BOARD

Date of Meeting:

**LEAD DIRECTOR: Liz Onions
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ENCLOSURE NO: 4**

SUBJECT:

Staffordshire PCTs Governance Structure

FOR DECISION **FOR DISCUSSION** **FOR INFORMATION**

Summary:

The Integrated Governance Handbook published in February 2006 by the Department of Health was produced to support NHS organisations achieve a co-ordinated approach to sound governance in line with the requirements of Department of Health, Monitor and the Healthcare Commission.

Whilst the handbook provides a toolkit for existing Boards to work through a process of self-assessment and manage change over a two year period, it can also be used to establish robust governance mechanisms as new Boards are established such as reconfiguration under Commissioning a Patient Led NHS.

The research behind the framework indicates that some Boards have more than forty Committees and Sub-Committees reporting to the Board. This is fundamentally unmanageable for the Board whose role is to ensure and underpin the public service values of accountability, probity and openness in the delivery of NHS business.

A range of performance monitoring/reporting systems have been developed in the past, often in silo fashion. Each designed to reassure central bodies about standards of care, use of tax payers money, etc. These systems have, at times, been in competition with each other and increased the bureaucracy within which we manage NHS organisations. In addition, the NHS has increased public scrutiny both formally through LA overview and Scrutiny Committees and PPI forums, but also general public awareness of healthcare and through media coverage.

The PCT Board will therefore carry final corporate accountability for its policies and decisions as set out in the Codes of Conduct and Accountability issued by the Secretary of State.

Integrated governance is an approach by which Boards can assure themselves of a joined up approach to governance reducing organisational risk by an overarching framework for governance structures to operate within, and moving away from the silo mentality to management.

Integrated Governance – Definition

Integrated governance is defined as ‘systems, processes and behaviours by which Trusts lead, direct and control their functions in order to achieve organisational objectives, safety and quality of service and in which they relate to patients and carers, the wider community and partner organisations’.

Board/Committee Structure

Following the initial mapping of PCT Committee structures within the Staffordshire PCTs, as expected titles of Committees were very similar, the main differences being overall subject matter and flows from the Sub-Committee hierarchy of decision making processes. Whilst the working group has tried to include what is currently in place, the Integrated Governance Handbook published in February 2006 and the model Standing Orders, Reservation and Delegation of Powers and Standing Financial Instruction published in March 2006 provides clear direction to refashion governance structures.

A proposed new PCT Committee and Sub-Committee structure is shown in Fig 1. This diagram outlines the range of directly accountable Committees and Sub-Committees to the Board and the range of subject matter to be covered in each.

The PEC will be established as per the original PCT establishment guidance, however, a National review of PEC functions has been commissioned which will report in April 2007. A proposal for an interim PEC will be available for the next Board meeting.

Draft terms of reference for each Committee are enclosed:

Annexe 1	Audit Committee
Annexe 2	Remuneration and Terms of Service Committee
Annexe 3	Integrated Governance Committee
Annexe 4	IM&T and Estates Committee
Annexe 5	Practice Based Commissioning Committee
Annexe 6	Human Resources and Organisational Development Committee
Annexe 7	Finance & Performance Committee
Annexe 8	Flow Chart for Managing Poorly Performing GPs
Annexe 9	PCT Provider Arm Virtual Board

Recommendation:

The Board is asked to approve the Governance Structure and adopt the Terms of Reference proposed.