

From: Robert Taylor, Significant Business Committee Chair

To: Council of Governors

Date: 18 January 2018

Subject: Significant Business Committee Report

1.0 Purpose of the Report

1.1 To update the Council on the business discussed at the Committee's meeting on 4 December 2017.

2.0 Background

2.1 The Significant Business Committee has been established to review significant transactions and other commercial issues on behalf of the Council, and make recommendations to the full Council.

2.2 While none of the Trust's recent bids fell under Monitor's definition of a Significant Transaction and therefore do not require Council approval, the Trust has routinely consulted with Governors on developments and opportunities, through the Significant Business Committee.

3.0 Significant Business Committee

3.1 At its meeting on 4 December 2017, the following members were present:

- Robert Taylor, Chair
- Norbert Lieckfeldt, Acting Assistant Deputy Chair (ex officio)
- Rosemary Eggleton, Public Governor
- John Bennett, Public Governor
- Robin Bonner, Staff Governor

3.2 Mohit Venkataram, Commercial and Business Development Director, and Keisha Ehigie, Trust Secretary, were also in attendance.

4.0 Committee update

4.1 The Committee had previously agreed that it would develop a governor framework which would highlight the key areas they would like the Board to consider in any assessment process around bids and opportunities. The framework is attached at Appendix 1.

4.2 The Committee were also given an update on the Trust's successful bid for community services in Bedfordshire.

Agenda Item 8

5.0 Action being requested

5.1 The Council is asked to:

- **NOTE** the report, and
- **REVIEW** and **COMMENT** on the attached framework.

SIGNIFICANT BUSINESS COMMITTEE

Governor Framework to inform the assessment of new bids and opportunities

Better For the Local Area

- What would be better for the people we serve
- What can we do better than previous providers
- If successful, is the total better than the sum of its part e.g. where is the organisational learning or benefit that flows through the Trust to its original services
- Caution to be exercised in embarking on new services which are also in new geographical areas

Financial Assessment

- Will the income from the project be greater than the cost of delivering it
- Financial risks/losses may be acceptable if there is a demonstrable added benefit such as benefits to existing service users
- A certain level of risk is acceptable if appropriate mitigation is in place.

Service Quality

- Will the quality of the service provided be improved considering that the staff are likely to be the same (assuming they are TUPE'd)
- How will we work to change the culture in light of the above i.e. will we have the capacity to invest in doing this and the ability of the senior management to get the culture embedded
- Need to ensure that there is the capacity, capability and skill to deliver on new services

Review Previous Transactions for Learning

- New tenders should be assessed against learnings from previous bids. This will require transparency, e.g. what is the learning from the Luton and Beds bid?
- Consider the impact of geographical expansion and review the governance structures for the Council in light of this (e.g. struggling to cover a large county with limited number of governors)
- Do we have the systems in place to make the new service accountable to service users?
- Caution to be exercised in embarking on new services which are also in new geographical areas.
- Consider learnings from partnership working
- Accountability

Staffing

- There would need to be a sustainable staffing model which could be used to inform projections in the long term

Local Focus

- The total should be greater than the sum of its parts – how is this demonstrated?
- Existing centres of excellence such as mental and community health should not be weakened in the process

- Consideration should be given to staff who may feel that diversification may lead to a dilution of the importance of their roles

Capacity of Corporate Services

- There should be a balance between achieving economies of scale but not overstretching existing staff;
- Think through the granular details behind the assumptions made in corporate services.

The framework should be tested against whether it is doing what it is supposed to do, i.e. enabling better decision making in the assessment of new bids and opportunities