OLDHAM TOTAL CARE LTD (OTC)

STEERING COMMITTEE – TERMS OF REFERENCE

1. Status and Purpose

Oldham Total Care Ltd ("OTC") is a Local Authority Trading Company ("LATCo") wholly owned by Oldham Metropolitan Borough Council ("OMBC").

The OTC Steering Committee is established to provide a formal strategic interface between **OMBC, as shareholder and local authority and the Board of Directors of OTC**, ensuring effective communication, alignment, oversight and escalation between the Council and the company.

The principal purpose of the Steering Committee is to bridge the governance relationship between OMBC and OTC, providing a structured forum through which elected members, senior Council officers and OTC directors can jointly consider the strategic direction, performance, risks and development of the company.

The Steering Committee will:

- provide strategic oversight of the relationship between OMBC and OTC;
- ensure that OTC's strategic direction remains aligned with the Council's objectives and expectations as shareholder;
- provide an effective route for two-way communication between the OTC Board, elected members and senior OMBC officers;
- provide constructive challenge and advice to the OTC Board;
- provide early visibility and escalation of significant financial, operational, workforce, regulatory, commercial and reputational issues;
- consider the company's performance against agreed objectives, business plans and key performance indicators;
- support OTC in developing as a sustainable, efficient and commercially capable LATCo while maintaining the quality and integrity of its care services; and
- provide a forum through which matters requiring shareholder consideration, Council action or wider corporate support can be identified and progressed.

The Steering Committee is **not intended to replace the OTC Board of Directors, assume executive management responsibility for the company, or become involved in the routine operational management of care services.**

Unless authority is expressly delegated to it by OMBC or provided for within the company's governance arrangements, the Steering Committee will operate in an **advisory, oversight and coordinating capacity**.

2. Governance Principles

The Steering Committee will operate on the basis of a clear distinction between:

OMBC as Shareholder – setting strategic expectations, exercising shareholder rights and protecting the Council's financial, service and reputational interests;

OTC Board of Directors – responsible for the governance and direction of the company and for discharging directors' statutory and fiduciary duties;

OTC Executive Management – responsible for the day-to-day management and delivery of the company's services; and

OMBC as Commissioner/Client – responsible for commissioning, contract management and assurance of services purchased from OTC.

The Steering Committee should facilitate effective working across these roles without obscuring the separate legal, governance, commissioning and management responsibilities of each party.

3. Objectives

The Steering Committee will provide strategic oversight and advice in relation to:

3.1 Strategic Direction

- OTC's corporate and business strategy;
- alignment with OMBC's corporate priorities and adult social care objectives;
- medium- and long-term development of the company;
- service development, transformation and innovation;
- significant changes to the company's operating model;
- opportunities for growth and diversification; and
- matters which may materially affect the Council's ownership of, investment in or relationship with OTC.

3.2 Financial Performance and Sustainability

The Committee will receive appropriate reporting on:

- financial performance against budget;
- forecast outturn;
- cash flow and financial resilience;
- material financial pressures and variances;
- efficiency and productivity;
- investment requirements;
- financial recovery or improvement plans where required;
- commercial performance and income diversification; and
- the medium-term financial sustainability of the company.

The Committee should provide an early-warning mechanism where financial performance could create a material risk to either OTC or OMBC.

4. Service Quality, Performance and Outcomes

The Committee will receive assurance regarding the overall performance of OTC's services, including where appropriate:

- CQC performance and regulatory matters;
- safeguarding;
- quality and safety;
- service-user outcomes;
- complaints and compliments;

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- feedback from residents, service users, families and carers;
- workforce performance;
- agency usage and recruitment;
- health and safety;
- agreed contractual and corporate KPIs; and
- significant service improvement programmes.

The Committee may request further information or assurance where performance falls materially outside agreed expectations.

5. Corporate Governance

The Steering Committee will maintain oversight of the effectiveness of the governance relationship between OTC and OMBC.

This may include consideration of:

- the effectiveness and composition of the OTC Board;
- Board skills and succession planning;
- significant appointments where shareholder involvement or approval is required;
- governance reviews;
- matters reserved to the shareholder;
- conflicts of interest;
- company constitutional matters;
- compliance with relevant Council and company governance requirements; and
- recommendations arising from internal or external audit, regulatory review or other assurance activity.

Where a matter formally requires shareholder approval, the Steering Committee will make recommendations or facilitate referral to the appropriate OMBC decision-making body in accordance with the Council's Constitution, shareholder arrangements and the company's Articles of Association.

6. Risk and Assurance

The Steering Committee will consider significant strategic risks affecting OTC and/or OMBC arising from the company's activities.

This will include, where appropriate:

- financial risk;
- regulatory and CQC risk;
- workforce risk;
- safeguarding and quality risk;
- legal and contractual risk;
- information governance and cyber security;
- business continuity;

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- commercial risk;
- reputational risk; and
- risks associated with major transformation or investment programmes.

The Committee should focus principally upon **strategic and material risks**, rather than duplicating the detailed risk-management responsibilities of the OTC Board.

7. Commercial Development

Recognising OTC's status as a LATCo, the Steering Committee will provide strategic advice and challenge concerning the company's commercial development.

This may include:

- development of services outside existing OMBC arrangements;
- opportunities for external income;
- partnerships and collaborative ventures;
- market positioning;
- business development proposals;
- investment requirements;
- commercial capability and capacity; and
- the balance between commercial growth, public-service objectives and financial risk.

Detailed commercial decisions remain the responsibility of the OTC Board except where a proposal falls within matters reserved to OMBC as shareholder or otherwise requires Council approval.

8. Relationship with the OTC Board

The Steering Committee and OTC Board should have distinct but complementary functions.

The **OTC Board** remains responsible for company governance, corporate strategy, statutory compliance, financial stewardship, executive accountability and oversight of company operations.

The **Steering Committee** provides the principal strategic interface with OMBC, enabling the shareholder to understand company performance and enabling the OTC Board to understand the Council's strategic expectations, concerns and priorities.

The Steering Committee may make recommendations to the OTC Board but should not routinely direct operational decisions that properly fall within the authority and responsibilities of the company's directors.

Likewise, the OTC Board should ensure that matters materially affecting OMBC as shareholder are brought to the Steering Committee at an appropriately early stage.

9. Membership

The Steering Committee will comprise an appropriate balance of elected member, senior officer and OTC representation.

Membership should include:

OMBC Elected Members

- nominated elected members reflecting the Council's shareholder and strategic interests;
- relevant Cabinet Member(s), where appropriate.

OMBC Chief Officers

- Chief Executive or nominated representative;
- relevant Executive Director(s);
- Director of Finance / Section 151 Officer or nominated representative;
- Monitoring Officer or nominated representative where appropriate; and
- other Chief Officers according to the matters under consideration.

OTC

- Chair of the OTC Board;
- Managing Director/Chief Executive;
- nominated OTC Director(s); and
- Finance Director/lead as appropriate.

Specialist advisers and other officers may attend by invitation where their expertise is required.

10. Chair

The Steering Committee will have a **nominated Chairperson**, appointed through the appropriate OMBC governance process.

The Chair will:

- approve the agenda;
- ensure appropriate balance between strategic oversight and company autonomy;
- facilitate constructive challenge;
- ensure that matters requiring escalation are clearly identified;
- ensure actions and recommendations are appropriately recorded; and
- maintain an effective relationship with the Chair of the OTC Board.

A Vice-Chair may also be appointed to act in the Chair's absence.

11. Meetings

The Steering Committee will normally meet **quarterly**, with additional meetings convened where significant matters require consideration.

The meeting cycle should, wherever practicable, align with the OTC Board reporting cycle so that current information can flow effectively between the two bodies.

The Chair may convene an extraordinary meeting where an issue is sufficiently material or urgent that it should not await the next scheduled meeting.

12. Standing Reporting Framework

A standard reporting pack should be developed to enable consistent oversight.

The standing agenda should normally include:

1. Declarations of Interest;
2. Minutes, actions and matters arising;
3. OTC Chief Executive/Managing Director strategic update;
4. Service Quality and CQC Update;

5. Financial Performance and Forecast;
6. Performance and KPI Dashboard;
7. Workforce and Organisational Development;
8. Strategic Risk Register;
9. Commercial Development and Growth;
10. Major Transformation/Investment Programmes;
11. Governance and Board Matters;
12. Shareholder Matters / Decisions Required;
13. Matters for Escalation to the OTC Board or OMBC;
14. Any Other Business; and
15. Forward Work Programme.

Reports should clearly distinguish items presented for:

Information / Noting – Discussion / Assurance – Recommendation – Decision, where the Committee possesses the relevant delegated authority.

13. Escalation

A key function of the Steering Committee is to provide an effective escalation route between OTC and OMBC.

Matters should be escalated where they:

- represent a material financial risk;
- could significantly affect service continuity or quality;
- involve significant regulatory or safeguarding concerns;
- create material legal or reputational exposure;
- require substantial additional Council financial support;
- involve significant departure from the approved business plan;
- concern matters reserved to the shareholder;
- materially affect the strategic direction of OTC; or
- otherwise require formal OMBC consideration or approval.

The minutes should clearly identify the body or officer to whom an escalated matter has been referred and the action required.

14. Information and Transparency

OTC will provide the Steering Committee with sufficient, timely and accurate information to enable it to discharge its functions effectively.

Members will respect the commercially sensitive, personal and confidential nature of information provided to the Committee.

Where appropriate, agenda items and supporting papers may be treated as exempt or confidential in accordance with applicable legislation and the Council's governance arrangements.

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The presumption should nevertheless be that the governance relationship between OMBC and OTC is conducted with an appropriate degree of transparency and accountability consistent with OTC's status as a Council-owned company.

15. Conflicts of Interest

Members must declare any actual or potential conflict of interest relevant to matters under consideration.

Particular care will be taken where individuals hold responsibilities across OMBC and OTC to ensure that it is clear **in which capacity an individual is participating or making a decision**.

Where appropriate, advice will be sought from the Monitoring Officer and/or Company Secretary.

16. Secretariat and Administration

Secretariat support will be provided by OMBC, unless otherwise agreed.

The Secretariat will:

- coordinate the forward programme;
- prepare and circulate agendas;
- coordinate reports;
- record attendance and declarations of interest;
- produce minutes and action schedules;
- maintain an action tracker; and
- ensure matters requiring referral to another decision-making body are appropriately progressed.

Papers should normally be circulated sufficiently in advance to enable effective consideration by members.

17. Quorum

The Committee will be quorate when the Chair or Vice-Chair is present together with representation from:

- OMBC elected members;
- OMBC senior management; and
- the OTC Board/executive.

The precise numerical quorum should be determined when the final membership of the Committee is approved.

18. Decision-Making and Authority

The Steering Committee derives its authority from OMBC and operates within the Council's established shareholder and governance arrangements.

The Committee may:

- receive information and assurance;
- scrutinise and challenge performance;
- make recommendations;
- commission further information or assurance;
- refer matters to the OTC Board;
- refer matters to the appropriate OMBC body or statutory officer; and

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- make decisions only where specific authority has formally been delegated to it.

Nothing within these Terms of Reference removes or overrides:

- the statutory duties of OTC directors;
- the responsibilities of the OTC Board;
- the statutory responsibilities of OMBC officers;
- the responsibilities of OMBC as commissioner; or
- decisions reserved to OMBC under the Council's Constitution, shareholder agreement, Articles of Association or other governance documents.

19. Forward Work Programme

The Committee will maintain a rolling forward work programme aligned with:

- OTC Board meetings;
- financial reporting cycles;
- business planning and budget setting;
- CQC and regulatory requirements;
- annual accounts and audit;
- shareholder decisions;
- strategic reviews; and
- major transformation and commercial programmes.

This should enable the Committee to operate proactively rather than principally responding to issues after they have arisen.

20. Review of Terms of Reference

These Terms of Reference will be reviewed annually, or earlier where there is a significant change to:

- OTC's operating model;
- the Council's shareholder arrangements;
- the composition or responsibilities of the OTC Board;
- relevant legislation or regulation; or
- the governance relationship between OMBC and OTC.

Any material amendments will be subject to approval through the appropriate OMBC governance arrangements.

Core Purpose – Summary

The OTC Steering Committee exists to provide the **formal strategic bridge between Oldham Metropolitan Borough Council and Oldham Total Care Ltd**.

Its purpose is to ensure that:

OMBC has appropriate visibility, assurance and influence as shareholder;

the OTC Board has a clear and effective route into the Council for strategic, financial and shareholder matters;

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significant risks and issues are identified and escalated early;

OTC's strategy remains aligned with the Council's objectives while preserving the Board's proper responsibility for the company; and

OTC is supported and challenged to deliver high-quality care, financial sustainability and appropriate commercial development.

The Steering Committee should therefore operate as a forum for **strategic alignment, assurance, constructive challenge and escalation – not as an additional layer of operational management.**

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