

# Making Quality your Business: The Right to Provide



**Expression of Interest  
Guidance and Template**

**DH INFORMATION READER BOX**

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# Making Quality your Business: The Right to Provide Expression of Interest Guidance and Template

## Introduction

The 'right to provide' (R2P), announced in March 2011 builds on the Government's commitment to give public sector workers new rights to provide services as staff-led enterprises and bid to take over the services they deliver. Staff-led enterprises encompass staff-led mutuals, cooperatives, co-owned businesses and social enterprises, joint ventures and partnerships.

The key aim of the right to provide is to enable NHS and social care staff to take the initiative in developing services that better meet the needs of the patients and communities they serve and to secure additional benefits by providing this through a staff-led enterprise.

Specific objectives for the programme include:

- Enabling increased diversity of provision;
- Delivering increased efficiency and improved quality;
- Enabling choice; and
- Supporting existing QIPP objectives<sup>1</sup> and, if relevant, not destabilising the Foundation Trust pipeline

If you are interested in exercising your right to provide to establish a staff-led enterprise, you will need to complete an expression of interest (EoI) and submit it to your board for consideration. This template and guidance will help you do that.

At the widest level, the right to provide is for all staff working within health and social care. However, there are differences in the process you need to follow, depending on the organisation you work for.

## Acute, mental health or community NHS Trust

Your expression of interest should be presented to the Trust Board and the board will be obliged to give it due consideration. The decision on whether to support it or not will be subject to assurance from the Strategic Health Authority.

## Foundation Trust

Your expression of interest should be discussed with your Director to decide on the best approach to take. As Foundation Trusts are independent organisations, their boards are not obliged to support proposals to develop staff led enterprises.

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<sup>1</sup> <http://www.dh.gov.uk/en/Healthcare/Qualityandproductivity/index.htm>

## Social Care

If you provide social care, and are employed by a local authority, you will need to discuss your proposals in your team and take any firm expression of interest to the Council's Board.

## Commissioning Support

Commissioning support is not included in the current R2P scheme. Further information will be available in the future.

## Arms Length Body or Special Health Authority

You will need to discuss your proposals with your Director and they will need to discuss it with the Department of Health sponsor.

## First Steps

This guide contains advice and information that you may find useful in drawing up your expression of interest. It also provides a template for you to structure and write your proposal. It should be read in conjunction with *Making Quality Your Business - a Guide to the Right to Provide*<sup>2</sup>, which also provides links to other sources of information, which may be helpful in finding out more on staff-led enterprises and in completing your expression of interest.

You may also wish to look over the right to provide assurance framework technical guidance, available from the Social Enterprise Unit at the Department of Health<sup>3</sup>, as this will give you an indication of what you will have to demonstrate if your expression of interest is approved by your host organisation.

You should use this template in drawing up your expression of interest and consider all of the headings discussed below in order for your expression of interest to have the best chance of being successful.

It would be good practice to discuss your proposal and collaborate with your colleagues, particularly as some of them might have experience of writing proposals and business cases.

It may also be beneficial to talk to existing staff-led enterprises to find out more about the benefits and challenges of setting up and working within one. The Social Enterprise Unit and Social Enterprise Coalition<sup>4</sup> may be able to put you in touch with social enterprises working in health and social care.

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<sup>2</sup>

[http://www.dh.gov.uk/prod\\_consum\\_dh/groups/dh\\_digitalassets/documents/digitalasset/dh\\_125638.pdf](http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_125638.pdf)

<sup>3</sup> <http://www.dh.gov.uk/Socialenterprise>

<sup>4</sup> <http://www.socialenterprise.org.uk/>

# Expression of Interest Guidance

## Making the most of your proposal

As discussed above, the organisation you work for dictates the route you have to take to present your expression of interest. Making an expression of interest does not automatically mean that it will be supported. For example, your organisation may feel it lacks merit, does not address local priorities or is not financially viable.

If you are working in an NHS Trust, the board may feel that it would destabilise its application to become a Foundation Trust. It is therefore important that you first discuss your proposal with your host organisation before submitting it.

However, if your proposal is turned down, your board should provide you with feedback, detailing why it is not being supported.

It is also important to note that if your expression of interest is supported, it does not mean that you have approval to set up your staff-led enterprise. It means that you have approval to develop a business plan to see whether the proposal is viable.

It is therefore important that the expression of interest is clear and demonstrates that it has been well thought through. Considering the following questions before making your expression of interest will help you to do this.

### 1. Why am I doing it?

You will need to express the benefit a staff-led enterprise will bring to the delivery of your service. If the right to provide is concerned with replicating what is already in place, with no significant change, a staff-led enterprise will probably not be appropriate.

### 2. What will you do differently?

Staff-led enterprises will allow you to put into place different governance arrangements that enable staff to have more freedom to be innovative and to have a real say in the way the enterprise is run and how it develops. You should therefore outline what you will do differently and what you expect the benefits of this will be. You need to consider issues such as QIPP and service transformation.

### 3. Who will benefit from the staff-led enterprise?

Staff may benefit by being able to make quicker decisions, have more control over the way the enterprise is run and be able to exercise clinical leadership. You will need to explain how other stakeholders, such as the local community and patients, will benefit from the staff-led enterprise and, in the case of a social enterprise, how profits (or surpluses) will be used to meet your social aims, such as job creation and reducing health inequalities.

More information, including case studies on right to request social enterprises, is available on the Department's website<sup>5</sup> and by contacting the Social Enterprise Unit.

#### **4. How will the staff-led enterprise help to meet local priorities?**

You may wish to explore local strategies, which highlight local priorities and action. It would be useful to indicate how your proposed staff-led enterprise will help meet these targets.

It would also be useful to understand local commissioning intentions and, if you work in an NHS Trust that is in the Foundation Trust pipeline, to understand the organisation's strategy and plans.

#### **5. What service or services will the proposed staff-led enterprise provide?**

You will need to indicate the services you propose to provide through the staff-led enterprise. This may be a single service or a number of services or it may be around a care pathway. It may involve social care staff to provide joined-up care. There is no ideal size for a successful enterprise and the size and type of organisation should relate to the benefits and aims of the staff-led enterprise.

#### **6. How will you engage with your stakeholders?**

In developing your proposals for a staff-led enterprise, you will need to consider how you will involve your stakeholders, such as local communities patients and service users in the development and running of the staff-led enterprise.

#### **7. How will the staff-led enterprise be funded?**

You will need to consider how the enterprise will be financed. Initially this may be through an uncontested contract, but you should consider other funding streams, such as contracts with other commissioners. You will need to consider how you will manage the costs associated with running the staff-led enterprise. As an independent organisation, you will have the option of going to the market to procure IT, finance and insurance cover, for example.

#### **8. Is the proposal sustainable?**

Linked to the question about finance is the issue of sustainability. How will you ensure that the staff-led enterprise will continue once any initial contract has ended? How will you develop your enterprise to secure its future? How will you demonstrate QIPP improvements?

#### **9. Do you have the required skills and leadership?**

Leading and developing a staff-led enterprise is a challenge and one that requires a wide range of skills. Experience from the right to request programme points to leadership being critical in successfully establishing a staff-led enterprise. Do you have those skills within your team? If not, can you

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<sup>5</sup>

<http://www.dh.gov.uk/en/Managingyourorganisation/Socialenterprise/RighttoRequest/index.htm>

buy those skills in or attract those skills? If you are considering developing a small enterprise, you will have to consider the issue of capacity and if you are looking at a larger scale enterprise, you will have to consider how you approach cultural change.

### **10. How will you monitor and evaluate the staff-led enterprise?**

You will need to ensure that you have given thought to how you will monitor the staff-led enterprise in relation to issues such as finance and quality. This will be important for measuring outcomes of the work you do and will help in future contract negotiations.

### **11. What form of enterprise are you considering?**

The form of your organisation should be determined by how you want it to operate and be governed. Whilst you may not wish to be specific at this stage, you may be considering different organisational forms, such as social enterprise, staff led mutual and whether you are interested in pursuing partnerships or a joint venture.

### **How much detail is required?**

The expression of interest that you need to produce must demonstrate to your board or sponsor that you have considered some of the key issues that setting up a staff-led enterprise will entail. It will also help you to appreciate how your staff-led enterprise may operate.

At this stage, whilst you do not need to include a large amount of detail, the more consideration you have given to your proposal, the better the likelihood of it being given due consideration.

Whilst you may not have all of the answers to all of the questions, it is important to recognise this in your expression of interest and to highlight where you have estimated or made assumptions.

### **Presenting your expression of interest**

When you have completed your expression of interest, you will need to submit it to your host organisation's board for consideration. You will have to ensure that the proposal is in the appropriate format for your board and that you complete any other accompanying documentation that the board requires.

You can submit your proposal through your director, which may be beneficial as your director can support your proposals. However, you may want to take it directly to the board yourself. In this instance, you should discuss how to do this with the secretary to the board.

You may be invited to present your proposal to the board, in which case you will need to ensure that you have a thorough understanding of the proposal and are able to answer any questions that may arise. Rehearsing this with colleagues will be a good way of ensuring that you are able to present the proposal as clearly as possible.

## Next steps

Your host organisation's board needs to be assured that your proposal to establish a staff-led enterprise will benefit your patients, service users and local community, whilst supporting the future objectives of commissioners and the host organisation. They may have questions about your proposal and ask you to resubmit your expression of interest if the board feels that there are gaps that you need to address. In turn, if you are working within an NHS Trust, the Strategic Health Authority will assure your host organisation's decision.

The board may feel that there are fundamental problems with your proposal and that they will not be supporting the further development of your business case. You should be entitled to have these reasons explained to you in detail.

If your host organisation supports your proposal, you will have to develop a full business case, which adds more detail and substance to your expression of interest. This will include issues around finance and contracting and a full description of the legal form of your proposed staff-led enterprise. If your host organisation is an NHS Trust, by approving the expression of interest it is agreeing to support you in developing your business case, so help should be made available to you.

It is difficult to put a definitive timescale on how long it will take from submitting a right to provide to setting up a staff-led enterprise, assuming that your request is supported. It will depend on a number of factors, such as the complexity of the services you are proposing to provide through a staff-led enterprise and the skills and support available to you. However, to move from working in the NHS or for a local authority to working in a staff-led enterprise will take a number of months.

Whilst going through this process might seem to be a lot of work, it will help you to clarify your ideas and test them out with colleagues. It could also be the first step towards developing your own staff-led enterprise and making a difference to the way you work and to the care you provide.



# Expression of Interest Template

## 1. Summary

This section is a summary of your proposal. It briefly describes the reasons behind your proposal and summarises the benefits you expect the staff-led enterprise to provide.

## 2. Background

Describe why you want to set up a staff-led enterprise. What are the social, economic, environmental or local health circumstances that make it a good idea for the proposed staff-led enterprise to exist?

## 3. Aims and Objectives

This section describes what you intend your staff-led enterprise to do. It should include:

**Vision** – Your vision is the driving force behind the organisation because it concerns the change you intend to bring about. It embodies the aspiration of your organisation and, whilst it must be realistically achievable, it can be ambitious. This is a powerful tool for gaining interest in what you are proposing and works best when it is stated in one sentence that is free of jargon and expresses excitement.

**Mission** – the mission statement is a summary of what the organisation does or intends to do, for whom and where. It needs to communicate the work of your staff-led enterprise in a way that everyone can understand. As with your vision, it is useful to research what other staff-led enterprises and businesses have done.

**Strategic Objectives** – these are statements about what the enterprise wants to achieve in a given period, say, 3-5 years. In the context of primary and community care, these can be around the following themes:

- Service improvement;
- Connecting with communities and service users;
- Innovation;
- Empowering staff;
- Increasing patient choice; and
- Investing in the community.

## 4. Range of services

Provide a description of the services that your proposed staff-led enterprise will provide. This could include a range of services or a single service area. Briefly explain how the enterprise will ensure the quality of delivery and monitor and evaluate its performance.

## 5. Stakeholder Engagement

Identify the people and organisations that will have to be involved and informed in the development of your staff-led enterprise. This will include stakeholders such as; staff, service users, community organisations, partner organisations, your host organisation and Strategic Health Authority. Once the stakeholders are identified, consider the following questions in relation to each of them:

- What is their involvement in the staff-led enterprise?
- What interest do they have in developing a staff-led enterprise?
- How will change affect them?
- What influence do they have on the plans?
- Who else needs to be engaged?

Use the stakeholder analysis to identify the key stakeholders and consider how they will be affected by the proposed staff-led enterprise development and how you plan to manage them.

The business case should also document the results of any consultation carried out in relation to your proposed staff-led enterprise. It may be useful to discuss this with your patient and public involvement / community engagement lead.

## 6. Commissioner Engagement

Through the right to provide you will be delivering services contracted by your local commissioner. Whilst you may be entitled to receive an uncontested contract at the end of the process, you need to discuss your proposals with your local commissioner to ensure that you are aware of their commissioning intentions further down the line.

In addition, this engagement will enable you to understand the value of the contract and what changes, if any, they would like to see in terms of future service delivery. You will certainly have to consider any savings that need to be secured as part of QIPP.

## 7. Partnership/Collaboration

If your proposal includes an intention to work in partnership or collaboration with existing staff-led enterprises or other service areas and organisations, you should outline the details here. You should also illustrate how this will benefit service users and the wider community, for example through improved community engagement and ownership.

## 8. Costs

It is unlikely that you will have a full understanding of the costs at this stage. You might wish to give an indication of what you think the costs of setting up and running a staff-led enterprise will be and recommend that a full feasibility study be carried out if the submission is successful.

This section should also include the resources required to progress to a full business case. This may include staff time to complete the case as well as training and business support to enable you to develop the business case.

## **9. Risks**

List and briefly describe the risks that are immediately obvious in relation to the project. This may relate to staff skills in certain areas, such as financial management, leadership and governance. It may also include competition and the nature of the market for the services you wish to provide.

## **10. Governance**

Staff-led enterprises are often characterised by inclusive governance arrangements. You will need to consider how you will involve staff and the local community in the management and direction of the staff-led enterprise. Some staff-led enterprises, for example, have service users and patients as members and directors of the organisation.

Some governance arrangements can help in securing expertise through non-executive directors and executive directors. Directors will help in deciding the direction of the organisation and it is worth considering how the arrangements you propose will affect the development and direction of the staff-led enterprise.

Although related to the legal form and structure of the staff-led enterprise, it is more important at this stage to think about governance, as this will affect the way in which the staff-led enterprise is run.

## **11. Timescales**

Provide a general statement as to the approximate length of the project and complete the table showing approximate milestones. State that detailed timescales will be provided if this expression of interest is approved.