

## BIRMINGHAM AND SOLIHULL MENTAL HEALTH NHS FOUNDATION TRUST

## TRUST BOARD TO BE HELD ON WEDNESDAY 25 MARCH 2015

**RESERVATION OF POWERS TO TRUST BOARD/ SUMMERHILL SUPPLIES LTD (SSL)  
REVIEW**

**Strategic or Regulatory Requirement to which the paper reports** - The Trust has a wholly owned subsidiary, both the Trust, as a member, and Subsidiary are required to comply with the statutory requirements relating to companies

**ACTION:**

The Trust Board is required to review the decision on reserving any powers in respect of Summerhill Supplies Limited.

**Report**

Birmingham and Solihull Mental Health NHS Foundation Trust (the Trust) has a wholly owned subsidiary Summerhill Supplies Limited (SSL), who undertakes separate commercial activities.

Summerhill Supplies Limited is governed by their Articles which provide that:

**Directors' general authority**

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

In October 2013 it was agreed that the Trust, as the sole shareholder in SSL, has the power to reserve items to itself, although some decisions do require a resolution from the Members (ie the Trust) as a result of statutory provisions. Following discussions involving all parts of Trust Board, it was agreed that no powers are reserved to Trust Board. It was also agreed that this decision be revisited in April 2014, at which time SSL may be considering other commercial opportunities. The effect of this decision is that the directors of SSL can make any decision about the management of the company, without reference to the Trust, subject to compliance with statutory provisions.

The Board is advised that the position on this remains unchanged at the current time. If there are subsequent changes these will be brought to the Board for discussion.

**Recommendation:**

Having considered the issue, the Trust do not currently seek to reserve any powers in respect of SSL. This decision will be next reviewed in 12 month's time, in April 2016.

**BOARD DIRECTOR SPONSOR:** John Short, Chief Executive

**REPORT AUTHOR:** Deborah Lawrenson, Company Secretary

**APPENDIX:**

Nil

**PREVIOUSLY DISCUSSED:** *(Details of any previous committee discussions.)*

30 October 2013 Private Trust Board meeting and the 30 April 2014 Board.