

What is the RCN's position on 'Mutuals' in the NHS?

The RCN is not as a principle opposed to the use of a mutual model by any organisation providing healthcare under the NHS banner, and welcomes the opportunities for greater staff involvement in decision-making offered by such an approach to organisational governance.

However, recent Government initiatives in this area, and specifically the 'Mutuals in Health' programme, have caused concern for the RCN and its membership, primarily as a consequence of the lack of staff-side involvement in its development or running, and the sketchily detailed involvement of commercial consultancy firms.

We feel that the principles on which the programme is based are far from those that we and our members would accept as being truly reflective of mutual organisations operating in the commercial and not-for-profit sectors, and which the Government states that it would wish to see the programme create.

We are also concerned that in an era of financial austerity, the large amounts of money that have been ear-marked for the programme could be better spent on maintaining and improving patient care, and staff conditions and morale.

Further to this we also have concerns about the outcomes of such experiments in relation to the terms and conditions of staff working for participating organisations, and would not wish to see them using the programme to undermine or reduce existing nationally agreed arrangements for pension entitlements, or training and professional development.

Background

The 'Mutuals in Health; Pathfinder Programme' is described as being,

'a joint Department of Health and Cabinet Office initiative, and is designed to support health and care organisations to explore the potential benefit of mutualisation for their services. The programme is open to all Foundation Trusts and NHS Trusts.'

Although the guidance documentation states that the programme has been in operation since 2010, it is only in the past year that it has been an active presence in the English NHS, as trusts have begun to apply to take part.

The programme is described in the official documentation as being scheduled to run until spring 2015, and an indicative timetable is given in the guidance:

- Applications open in July 2014

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- Short listing and Interviews - September 2014
- Developing support packages - October 2014
- Procurement process November – December 2014
- Support contracts in place - January 2015

A letter was sent out to trusts in June 2014, outlining the basis for the programme.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/343507/Letter_to_Foundation_Trusts_and_NHS_Trusts.pdf

Although not fully explained in the documentation, it appears that to be in the programme trusts must first apply directly to the Department of Health in England for permission to be considered, and if this is granted they must then supply a business case to go forward. This business case must be submitted with supporting statements from other players in the local health economy, including staff side.

Although not officially documented, we are aware that the programme officially ended on 31st March 2015. By this time the participating organisations have been advised that they must produce a report about their work (which some are terming ‘research’) and submit it to the Government. We anticipate that most, if not all of these reports will be made publicly available; by the organisations themselves if not by the Department of Health England or the Cabinet office.

RCN Involvement in the programme

The RCN has been formally involved in one application, providing a supporting statement for Surrey and Sussex Healthcare NHS Trust Expression of interest.

Our statement was given as a conditional support for the application:

“The RCN supports the greater involvement of healthcare staff in both the strategic and day-to-day running of healthcare organisations and services, however, we judge any new provider on its own merits to deliver quality care, within budget and against our own guiding principles, which demonstrate our core values. These are based around the themes of quality, accountability, equality and partnership. We therefore believe that they should underpin any design and delivery of health and social care services for the benefit of both staff and patients.

In the case of mutualisation, issues such as staff engagement and assent to the objectives of, and methods used in, moving to mutual status; financial viability of the service, as well as service continuity both during and after achievement of mutualisation; impact on staff terms and conditions, and patient and local community support for the proposed new model of working are the standards by which we would assess any proposal.”

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Current State-of-Play

As of April 2015 it appears that there are five active applications, which to the best of our knowledge comprise;

- Cheshire & Wirral Partnership NHS Foundation Trust
- Liverpool Heart and Chest Hospital
- Surrey & Sussex Healthcare NHS Trust
- Tameside NHS Foundation Trust
- University Hospitals of Leicester NHS Trust

Two trusts have rescinded their applications following staff side lobbying: Norfolk and Suffolk NHS Foundation Trust¹, and Norfolk and Norwich University Hospitals NHS Foundation Trust. We are also aware of concerns regarding the programme from two London Trusts that had originally expressed interest, Moorfield's NHS FT, and Oxleas NHS FT, although no formal statements have been issued by them on the matter.

Going Forward

The RCN will continue to track the progress of the 'Mutuals in Health' programme, and would welcome any information or insight that members can offer.

Please contact policy.contacts@rcn.org.uk for further information.

Further Reading

- *DH England Guidance on the Mutuals in Health Programme* - <https://www.gov.uk/government/publications/mutuals-in-health-pathfinder-programme>
- *'Ministers: mutuals 'central' to solving NHS challenges'* – Article, Local Government Chronicle, Nick Renaud-Komiya, 2014 <http://www.lgcplus.com/news/ministers-mutuals-central-to-solving-nhs-challenges/5074401.article>
- *'Flimsy evidence should not be used to generalise merits of 'mutual' NHS trusts'* – Article, Guardian Health Network, Brendan Martin, Public World, 2014 <http://www.theguardian.com/healthcare-network/2014/aug/27/mutuals-role-nhs-francis-maude-hinchingbrooke>
- *The Mutual Health Service: How to Decentralise the NHS* - Leaflet exploring the role that mutuality could play in an attempt to decentralise the NHS, Institute of Directors / New Economics Foundation, Ed Mayo and Ruth Lea, 2002 <http://www.uk.coop/sites/storage/public/downloads/mutualhealthservice.pdf>

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¹ <http://www.bbc.co.uk/news/uk-england-norfolk-31201777>