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To: Chief Executives of all NHS Foundation Trusts  
Chairs of all NHS Foundation Trusts  
Chief Executives of all NHS Trusts  
Chairs of all NHS Trusts

28 July 2014

**Mutuals in Health: Pathfinder Programme**

We are writing to all Chairs and Chief Executives of NHS Trusts and Foundation Trusts to invite applications to be part of a new *Mutuals in Health: Pathfinder Programme*.

A joint Department of Health and Cabinet Office initiative, this programme forms the cornerstone of the Government's response to 'Improving NHS care by engaging staff and developing decision making – report of the review of Staff Engagement and Empowerment in the NHS', led by Chris Ham, and is designed to support health and care organisations to explore the potential benefits of mutualisation for all or part of their services.

Over the last four years, this Government has worked tirelessly to ensure citizens have access to effective and high quality health provision. This is why we have broadened approaches to the delivery of healthcare, including through public service mutuals: a model which is revolutionising frontline provision and bringing benefits to staff, local commissioners, and service users. Over 45 mutuals are already delivering community healthcare across the country, transforming the quality of patient care through a more engaged and empowered workforce.

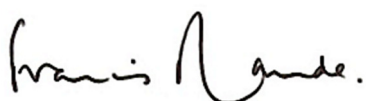
Chris Ham's review (which can be accessed at [http://www.kingsfund.org.uk/sites/files/kf/field/field\\_publication\\_file/improving-nhs-care-by-engaging-staff-and-devolving-decision-making-jul14.pdf](http://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/improving-nhs-care-by-engaging-staff-and-devolving-decision-making-jul14.pdf)) recognises these achievements and sets out a strong case for using the mutual model to increase levels of staff engagement right across the NHS.

As the review makes clear, “this is particularly important in relation to acute hospital services where there is currently much less diversity of ownership models than in other sectors of care.”

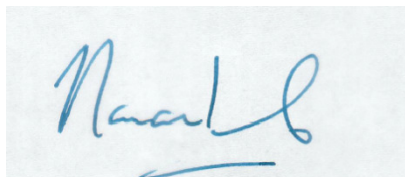
We want to see this vision become reality. To that end, we have established a *Pathfinder Programme* to help NHS Trusts, Foundation Trusts and Government take the first steps. All NHS Trusts and Foundation Trusts are eligible to apply.

Using a £1m fund, the programme will provide around 10 pathfinder trusts and their partners with up to £100,000 worth of support. Designed to help trusts to consider the potential advantages of the mutual model, it will enable the pathfinders to understand what mutualisation could mean for them and to identify solutions to practical barriers. The outcomes from this work will feed into the Government’s broader programme of work in 2015/16 to enable a range of new options for providers of NHS care, alongside recommendations resulting from the review being led by Sir David Dalton.

In addition, the findings from this programme will be brought together next year and used to set out clear actions Government could take to address any practical barriers that exist. More detail on the programme and how to apply is included in the prospectus accompanying this letter. The closing date for Expressions of Interest is **Thursday 4<sup>th</sup> September 2014**. If together we are to overcome the challenges facing the health service we have to find ways to deliver differently. The mutual model, with its focus on improving the engagement and empowerment of staff, is set to play a central role.



**FRANCIS MAUDE**



**NORMAN LAMB**