

## **MUTUALS SUPPORT PROGRAMME; INFORMATION AND CRITERIA**

*(NB: a key role of the Mutuals Information Service will be to support organisations to the stage where they meet these criteria)*

The Mutuals Support Programme is designed to help promising public service mutuals develop by providing the professional expertise and advice they do not have access to and are not able to fund themselves. We anticipate this will focus primarily on the 'pre-spin out' phase, where access to finance can be particularly restricted, but will consider supporting existing spin out public service mutuals.

By providing this support, the Programme will gather and spread learning to prevent others having to 're-invent the wheel' and build a strong evidence base of what works in this innovative area of service delivery.

The Mutuals Support Programme will contract for business/professional support to groups of employees or organisations. For example this may include advice on:

- HR
- Legal
- Financial
- Tax
- Business planning

The MSP will not provide grants or loan financing. Funding is not available to backfill staff costs or cover cash flow shortages.

There is no minimum or maximum contract value for the support, but organisations will only be able to receive support within State Aid regulations.

The MSP will also fund support which will help many organisations/potential organisations tackle a common barrier.

(NB: As far as possible, Cabinet Office will retain Intellectual Property on support given)

### **A. Organisation eligibility**

#### **AT THE PRE-SPIN OUT STAGE:**

- 1.1. A group of workers currently in the public sector seeking to spin out into a public service mutual which will deliver public services
- 1.2. Delivering the majority of services in England
- 1.3. Have a potentially viable business post spin-out
- 1.4. Have initial 'in principle' support from parent organisation (from which they'll be spinning out)

- 1.5. Have a committed group of employees (this can be a small number in the initial stages) who want to take forward the project, including those prepared and able to take on a leadership role

**POST SPIN-OUT (INDEPENDENT ORGANISATION):**

- 2.1. An organisation which has already spun out of the public sector into a mutual which is delivering public services
- 2.2. Delivers the majority of its services in England
- 2.3. Is operating a viable business

**B. Support eligibility**

**AT THE PRE SPIN OUT STAGE**

- 1.1. The potential organisation can demonstrate that specific support is necessary to the establishment of the mutual
- 1.2. Other avenues for funding this support (e.g. via parent body, investment or loan financing) have been explored and are not available/appropriate
- 1.3. Provision of the support will benefit others seeking to establish Mutuals (i.e. the knowledge, experience and resources gathered through support provision can be shared for the benefit others, primarily through the Mutuals Information Service website)
- 1.4. Support would not breach State Aid rules
- 1.5. A named individual with sufficient knowledge and capacity is available to work with contractors to supply the necessary information to enable them to complete their work
- 1.6. Organisations in receipt of support willing to share their experience and as many of the tools and resources they develop as a result of the support as possible

**POST SPIN OUT**

- 2.1. The organisation can demonstrate that specific support is necessary to the growth of the mutual
- 2.2. Provision of the support will benefit others seeking to establish Mutuals (i.e. the knowledge, experience and resources gathered through support provision can be shared for the benefit others, primarily through the Mutuals Information Service website)
- 2.3. Other avenues for funding this support (e.g. via investment or loan financing) have been explored and are not available/appropriate

2.4. Support would not breach State Aid rules

2.5. A named individual with sufficient knowledge and capacity is available to work with contractors to supply the necessary information to enable them to complete their work

2.6. Organisations in receipt of support willing to share their experience and as many of the tools and resources they develop as a result of the support as possible

**COMMON BARRIER**

3.1. An issue impacting on a number of organisations/potential organisations which generic advice would address

3.2. Support would not breach State Aid rules

3.3. Other avenues for funding the support have been explored

For the purpose of the Mutuels Support Programme, '**Public Service Mutual**' means an organisation principally made up of individuals who have left the public sector in order to deliver public services (and potentially other services) by way of that organisation, and where employee ownership or engagement has a significant impact on the governance of the organisation. A Public Service Mutual can take a variety of forms in terms of business model, legal structure and membership.

The Board will consider applications from Public Services Mutuels which have been formed since 2006.