



MUTUALS TASKFORCE MEETING
Thursday 17 March 2011
No.11 Downing Street
16.30 – 18.30

MINUTES

Attendees

Chair: Julian Le Grand
 Jo Pritchard
 Patrick Lewis
 Donna Fallows
 Rachel Wolf

Peter Marsh
 Patrick Burns
 Peter Holbrook
 Ed Mayo
 Nita Clarke

Officials

Director of Commercial
 Officials from OCS

Apologies

Welcome and introductions

- Welcome to the Director of Commercial

Definitions of 'mutual' and related form e.g. employee-owned/mutual joint ventures

Substantial discussion on definition of mutuals. Key issues discussed:

- Level of employee control:
 - Assets
 - Role of private sector in journey towards employee ownership and associated presentational risk of being seen as privatisation.
 - Balance between employee and service user/consumer ownership.
- Public benefit

Everyone to send comments on definitions.

Definition to be revised to outline key principles as follows¹:

- Stakeholders/employees of the organisation have a majority ownership.
- Usually have majority employee ownership.
- Have significant control by their employees with a democratic approach to the workplace.
- Have as a principal aim public benefit.
- Are capable of being sustained as mutuals in the long term.

Comms plan and proposed schedule for briefing papers

Agreed that the Taskforce would focus on the barriers and engagement with Government Departments, with the view to doing a road show in the future.

Need to understand demand and potentially focus on different sectors at different times.

There is a risk that if the pathfinders fail it will have a serious impact on the success of the wider programme. Need update on pathfinders, from both pathfinders and mentors. OCS to consider the resource implications of this. To be discussed at the next meeting.

Mutuals Support Programme, including role of future of helpline, to be discussed at the next meeting.

Potential Conflict of interest:

- Using the COI protocols Taskforce members will be able to participate in open competition under the MSP delivery model in development.
- Taskforce members with an interest in the Mutuals Support Programme will be asked to send a letter to the Chair (or equivalent) of their organisation, stating that they personally will have no involvement in any tendering process.
- Chair to issue letter in relation to Conflict of Interest and template letter.

Potential Barriers:

- Pensions (significant problem)
- VAT problem during set-up and LA now has to pay VAT on contract.
- Assets
- Differences in different service areas e.g. access to pensions in health and capital/revenue split in Education.
- Finance – this is a problem. However, there are a number of people working on these issues e.g. Social Finance. Need to link into this.

¹ Further revisions to this definition are reflected in the Mutuals Taskforce Report – *Public Service Mutuals: Next Steps*

- Access to expert help – to be discussed in Mutuals Support Programme agenda item at the next meeting.
- Contracting authorities' behaviour – either blocking or forcing.
- Access to risk litigation pooling schemes (explore if beyond DH).
- Leadership
- Impact reporting
- Capacity
- Sustainability
- Accountability
- Governance

Director of Commercial provided an overview of the work of this team.

Right to Provide

Systematic approach with departments required.

Need mechanism for engaging with senior civil servants, i.e. appointment of lead in each department and/or forum. Beneficial to take practitioners to these meetings.

Taskforce members to send links to relevant policy areas/papers where mutuals can help solve problems.

Procurement Paper

Postponed. To be discussed at the next Taskforce meeting.

Update on Public Service Forum

Meeting was largely positive. Member of Taskforce to establish informal discussions.

AOB

Taskforce agreed to be sounding board for formal committee for the Year of the Cooperative.

Next meeting

- Revised Definitions
- Procurement paper