

*From Karin Smyth MP
Minister of State for Health and Secondary Care*

*39 Victoria Street
London
SW1H 0EU*



Department of Health & Social Care

By email: pskarinsmyth@dhsc.gov.uk

Dear SPF colleagues,

I'm writing to update you on an important change in national policy on subsidiaries that we are communicating to the NHS today. The new position has been significantly informed by the valuable discussions we had with you on this issue and the concerns that you raised so I want to thank you for your essential input on this.

Over the past year, you and others raised concerns about subsidiary models that involve transferring NHS staff into new organisations. As a group of Trade Unions, you have been clear that this risks undermining the principle of a single NHS workforce and creates unnecessary anxiety for staff. We have listened very carefully to those concerns, and the Secretary of State has been clear that we must take action.

As a result of our discussions, we intend to change national guidance to confirm that new subsidiaries involving the transfer of NHS staff will now only be approved in a limited number of circumstances, and only where there is clear union support and protection of NHS terms and conditions, including pension access.

This is about shaping the future of the NHS workforce, ensuring fairness, and giving staff and their representatives confidence that their voice matters in decisions of this kind. It is also about providing clarity and consistency for trusts as they navigate challenging financial and operational pressures.

We will shortly consult on these changes. We want to work with staff and with unions to agree the proposed changes and the detail of how this will work in practice. It is also about ensuring we strike the right balance between protecting staff and preserving the freedoms of foundation trusts to innovate in ways that strengthen, rather than fragment, the NHS.

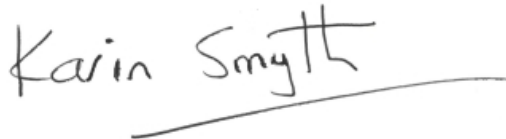
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Proposals involving the transfer of NHS staff currently under review will be paused with immediate effect while we undertake this consultation, unless they are supported by local unions.

Thank you as ever for your leadership, for your valuable insight, and for working constructively with us to make these changes a success.

Yours sincerely,

A handwritten signature in black ink that reads "Karin Smyth". The signature is written in a cursive style and is underlined with a single horizontal line.

KARIN SMYTH

Minister of State for Health and Secondary Care