

## **Question to the Children, Adults, Health and Wellbeing Policy Development and Scrutiny Panel**

**Tuesday 18<sup>th</sup> Jan. 2022**

Protect Our NHS BANES remain very concerned about the takeover of Virgin Care by a private equity company Twenty20 Capital. The way in which Virgin Care negotiated an extension of their contract with BANES Council and BSW CCG without any mention of this impending takeover was disgraceful and duplicitous.

We were pleased to have this assurance from the Council from Cllr Alison Born

*'We have been reassured that nothing will change but it appears to us that our community health and care services may have transferred from an organisation that had given a commitment not to make any profit from its health care contracts to one with a very different business model. If that is the case, it is clearly a significant change. This raises a number of concerns, many of which have been raised with me by service users, elected members, third sector organisations, staff and residents. As the very basis for the extension decision appears to us to be in question, our confidence in continuity and consolidation has been undermined. As a consequence, we have decided to pause and reflect whilst we work jointly with colleagues in the CCG to seek specialist advice and undertake a comprehensive analysis and due diligence on the implications of these changes to our local services.'*

However, we are surprised that this Committee has no item on their agenda to review progress and look at options.

We therefore wish to re-iterate the questions that we posed in December as we believe that the public who fund the contract and benefit from the services that they deliver have a right to know.

### **Legal Questions**

We have several questions about the legality and status of the contract extension

1. Was the extended contract signed off with Virgin Care and if so is this legally binding ?
2. The Coordinating Commissioner must give written notice to Virgin Care no later than 24 months prior to the original expiry date (end of year 5 2021/22 – March 2022 latest date). Is there an opportunity not to give the written notice in view of the changed circumstances.
3. Is the decision about the contract extension valid in view of the fact that one of the parties ie. Virgin Care no longer exists as a company ?
- 4.. Would a contract extension be valid in view of the fact that Virgin Care did not negotiate in good faith and misled both the Council and the CCG about their likely status and ability to fulfil the terms of the contract ?

6. If this contract goes ahead, will HCRG be bound in law to observe all the current provisions of the contract including the agreement to re-invest any profits from the running of the contract back into BANES services ?

7. Is this contract extension valid when no due diligence or scrutiny of the HCRG has been undertaken by the Commissioners ?

We are deeply concerned about the possibility of a private equity company now owning and running our community health and social care services. We have looked at the websites of Twenty20 Capital and HCRG and see nothing to reassure us that these companies are anything other than profit driven, asset strippers who buy up and sell on companies with little respect for the services that the companies provide or the staff who work for them.

**If the takeover goes ahead, can the Cttee seek assurances on our behalf**

- that the new owners will not seek to make profits from our community services and that there will be no cuts to staff or services
- that HCRG will be a competent manager for the delivery of a wide range of services (Their website implies that they are primarily a recruitment agency).
- that the terms and conditions of staff will not be affected by these changes

**The Long Term Solution**

Protect Our NHS has consistently opposed the privatisation of health and social care services . This latest development confirms our worst fears. There is nothing to prevent this situation occurring again with staff and services regularly packaged up and sold on. The only solution is to insource the services and bring them back into the NHS and Local Authority.

**Will this Cttee instigate an evaluation of the insourcing option as a matter of urgency ?**

**Will this Cttee demand that the Health and Care Board's meets to discuss this serious situation ?**

**Pam Richards**

**Co-ordinator Protect Our NHS BANES**