

Statement and questions for the Chair of the Scrutiny Panel – Tuesday March 8th 2022

At the last Scrutiny Panel on 18th Jan. the Panel expressed their concern about the takeover of Virgin Care. Councillor Alison Born said that an organisation had been commissioned to carry out due diligence on HCRG and legal advice sought. She stated that the contract extension had not been signed off and she would aim to provide further information to the Panel as soon as possible. The Panel was told that the two reports would be completed by the end of February.

There is a great deal of public disquiet and concern about the secretive takeover of Virgin Care. I am therefore shocked and surprised to learn that there is no report on the agenda and therefore no opportunity for this Panel to scrutinise or ask questions about the future of this contract.

Furthermore, I have now learned that a decision is unlikely to be taken until June. This is extraordinary as the report to both the CCG and Council in the autumn stated categorically that -

We are in year four of the seven year term with the option to extend for a further three years (2024/2025, 2025/2026 and 2026/2027). If a decision were taken to exercise the option to extend the contract term the Co-ordinating Commissioner must give written notice to Virgin Care no later than 24 months prior to the original expiry date (end of year 5 2021/2022 – March 2022 being the latest date).

Protect Our NHS BANES on behalf of the wider public would like to know what is going on. We have several specific questions about this process.

1. Why have the reports on due diligence undertaken regarding HCRG (Twenty20 Capital) and the legal advice about the contract not been made available to this committee ? Have these reports been completed and submitted to the Council ?
2. Will the Health Scrutiny Panel have an opportunity to ask questions and scrutinise the commissioned reports and recommendations prior to a decision being taken by Cabinet ? Can you please assure us that you will press for the maximum transparency and scrutiny in regard to any decision about the contract ?
3. Is it legal, in terms of the contract, not to make a decision about an extension or otherwise before the end of March when this was the deadline quoted ?
4. You advised me in an email that

'I am repeatedly advised that until negotiations are complete nothing will be referred to scrutiny.

It's not a situation I'm comfortable with but any intervention could compromise a satisfactory outcome possibly putting jobs at risk and compromising public confidence in the service going forward.'

This reference to negotiations is rather concerning. Who is negotiating with whom ? Surely the commissioners should not be negotiating with HCRG as they took over a company (Virgin Care) which had already negotiated the terms of a contract extension. The outstanding issues are therefore 1. is HCRG a fit company to run the contract (due diligence) 2. does HCRG agree to abide by the terms of the contract (legal compliance).

Your reference to 'compromising a satisfactory outcome ' is worrying. Can you please explain what you mean by this ? Why should jobs and services be put at risk ? Have the contractors threatened to withdraw altogether if they don't get the extension ?

The Council and the CCG are accountable to the public for how they spend our money and for the quality of the services delivered. The decision making process should therefore be open and transparent – we have already witnessed what happens when private companies do secret deals behind our backs !!

The public have expressed strong objections to these services now being run by a private equity company. We would urge councillors to take these views into account when making any decisions about the contract extension.

Pam Richards
Co-ordinator Protect Our NHS BANES