NHS North East London

Primary Care Contracts Sub-Committee

21 May 2024; 13:00-15:00; Venue: MS teams

AGENDA

	Item	Time	Lead	Attached/ verbal	Action required
1.0 1.1. 1.2. 1.3	**Welcome, introductions and apologies** Declaration of conflicts of interest Minutes of the meeting held on 18 March 2024 Matters arising and actions log	13:00	Chair	 Verbal Attached Attached Attached	 Note Note Approve Note
2.0	**Questions from members of the public**	13:05	Chair	Verbal	Note
3.0	**AT Medics Change of Control**	13:20	Alison Goodlad	Attached	Note
4.0	**Planning for Expiring GP APMS contracts**	13:40	Lorna Hutchinson	Attached	Agree
5.0	**Havering - New PCN formation – Liberty PCN**	13:55	Jordanna Hamberger	Attached	Approve
6.0	**Redbridge - Aldersbrook APMS practice**	14:10	Gohar Choudhury	Verbal	Note
7.0	**Dental, Optometry & Pharmacy Report**	14:20	Jeremy Wallman	Verbal	Note
8.0	**Primary Care Finance Report**	14:30	Rob Dickenson	Attached	Note
9.0	**Risk Report**	14:40	Alison Goodlad	Attached	Note
10.0	**Any other business**	14:50	Chair	Verbal	Note
Items for information only		15:00			
11.1.	Results of effectiveness survey			Attached	Info only
11.2.	GP contracts update report			Attached	Info only
11.3.	Redbridge – Aldersbrook Medical Centre			Attached	Info only
Date of next meeting: 16 July 2024					

NHS North East London

- Declared Interests as at 09/05/2024

Name	Position/Relationship with ICB	Committees	Declared Interest	Name of the organisation/business	Nature of interest	Valid From	Valid To	Action taken to mitigate risk
Alison Goodlad	Deputy Director of Primary Care	Primary care contracts sub-committee	Indirect Interest	Northamptonshire NHS Foundation Trust	Sister is Mental Health Practitioner	0022-01-08		Declarations to be made at the beginning of meetings
			Non-Financial Professional Interest	Royal College of Nursing (RCN)	Professional membership	2020-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Professional Interest	Royal College of Midwives (RCM)	Professional membership	1994-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Professional Interest	Nursing & Midwifery Council (NMC)	Professional membership	1992-01-01		Declarations to be made at the beginning of meetings
Diane Jones	Chief Nursing Officer	Clinical Advisory Group ICB Board ICB Quality, Safety & Improvement Committee ICS Executive Committee Primary Care Collaborative sub-committee Primary care contracts sub-committee	Non-Financial Professional Interest	London Clinical Senate	Member	2017-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Professional Interest	Homerton Hospital	Midwife (honorary contract)	2015-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Personal Interest	Group B Strep Support (GBSS)	Director and Trustee	2020-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Personal Interest	Sign Health	I am a Trustee of the charity	2023-05-01		
Dr Paul Francis Gilluley	Chief Medical Officer	Acute Provider Collaborative Joint Committee Clinical Advisory Group ICB Board ICB Population, Health & Integration Committee ICB Quality, Safety & Improvement Committee ICP Committee ICS Executive Committee Primary care contracts sub-committee	Non-Financial Professional Interest	British Medical Association	I am a member of the organisation.	2022-07-01		
			Non-Financial Professional Interest	Royal College of Psychiatrists	Fellow of the College	2022-07-01		
			Non-Financial Professional Interest	Medical Defence Union	Member	2022-07-01		

			Non-Financial Professional Interest	General Medical Council	Member	2022-07-01		
			Non-Financial Personal Interest	Stonewall	Member	2022-07-01		
			Non-Financial Personal Interest	National Opera Studio	Trustee on the Board	2023-08-01		
Raliat Onatade	Chief Pharmacist and Director of Medicines and Pharmacy	Clinical Advisory Group Formulary & Pathways Group (FPG) Primary care contracts sub-committee	Non-Financial Professional Interest	North Thames Genomic Medicine Service Alliance	I am also Chief Pharmacist for North Thames Genomic Medicine Service Alliance, which is an NHS organisation hosted by UCL Partners. North East London is part of the North Thames region for Genomic Medicines, therefore the role is complementary, rather than in conflict.	2021-04-01		
			Sponsorship	Merck Sharp Dohme	Gave a talk on : Vaccine Confidence in Ethnic Minority Communities: A Discussion' to MSD staff as part of MSD Black History Month activities, by request of the MSD diversity and inclusion group. The webinar took place on 19 October 2022. Payment was £840 for the 60 minute session. I took half a day annual leave in order to do this.	2022-10-19	2022-10-19	
			Sponsorship	PM Healthcare	I contributed to a High Cost Medicines Optimisation Group educational event (webinar) for pharmacy professionals on 18 January 2023. The webinar was	2023-01-18	2023-01-18	

					produced by PM Healthcare, and sponsored by Abbvie. I had no conversations with Abbvie. Title of my session was 'Managing the immunotherapy/specialist medicines interface as patients move from secondary to primary care'. I also sat on a panel discussion/Q&A with other speakers from the NHS. Payment for my time was £1000. I booked AL for this.			
			Indirect Interest	Roche	I have signed a Consultancy Agreement with Roche to attend a meeting designed to improve Roche's understanding of the recent changes to the NHS in England, the opportunities and challenges with the new Integrated Care System (ICS) structure and the delegation of specialised commissioning. Roche will apply these insights to be a more constructive industry partner. My role (in accordance with all applicable clauses of the ABPI Code of Practice) will entail a single 1 hour virtual speaker session at the Roche Policy, Value and Access Chapter meeting on 15 November 2023. I will be paid	0202-10-24	0202-11-15	

					£220 per hour, and payment will be for 1 hour preparation time and 1 hour meeting (the actual session).			
Sarah See	Managing Director of Primary Care	ICS Executive Committee Primary Care Collaborative sub-committee Primary care contracts sub-committee	Non-Financial Personal Interest	GP - Waltham Forest	Registered with a GP practice in Waltham Forest; members of the practice team works with the NHS NEL, LW LMC and NHSE/I	2001-01-01		Declarations to be made at the beginning of meetings
			Indirect Interest	Old Church Surgery (Chingford)	Niece works for GP practice	2022-06-05		Declarations to be made at the beginning of meetings
Shilpa Shah	LPC CEO attend meetings as a guest	Formulary & Pathways Group (FPG) Primary Care Collaborative sub-committee Primary care contracts sub-committee	Non-Financial Personal Interest	Samaritans	Director of Branch Operations at Samaritans National voluntary role.	2022-10-01		
			Non-Financial Personal Interest	Waltham Forest Samaritans	Listening volunteer at Waltham Forest Samaritans	2015-07-15		
			Financial Interest	Pharmacy Services Partnership	I am a consultant manager to the Pharmacy Services Partnership which is a Pharmacy Provider Company	2023-04-01		
Sue Evans	Associate Non Executive Member	Primary care contracts sub-committee	Non-Financial Professional Interest	Worshipful Company of Glass Sellers' of London (City Livery Company) Charity Fund	Company Secretary / Clerk to the Trustees'	2014-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Personal Interest	North East London NHS	Self and family users of healthcare services in NEL	2017-01-01		Declarations to be made at the beginning of meetings
			Financial Interest	St Aubyn's School Charitable Trust	Trustee and Director of Company Ltd by Guarantee	2013-01-01		Declarations to be made at the beginning of meetings
			Non-Financial Professional Interest	NHS Health Research Authority	Member of Research Ethics Committee	2023-07-01		Declarations to be made at the beginning of meetings

- Nil Interests Declared as of 09/05/2024

Name	Position/Relationship with ICB	Committees	Declared Interest
Gohar Choudhury	Assistant Head of Primary Care	Primary care contracts sub-committee	Indicated No Conflicts To Declare.
William Cunningham-Davis	Director of Primary Care Delivery	Newham Health and Care Partnership Newham ICB Sub-committee Primary care contracts sub-committee Waltham Forest Health and Care Partnership Board Waltham Forest ICB Sub-committee	Indicated No Conflicts To Declare.
Lorna Hutchinson	Assistant Head of Primary Care	Primary care contracts sub-committee	Indicated No Conflicts To Declare.
Abdul Rawkib	Senior Primary Care Commissioning Manager	Primary care contracts sub-committee	Indicated No Conflicts To Declare.
Rob Dickenson	Senior Finance Manager - Primary Care	Primary Care Collaborative sub-committee Primary care contracts sub-committee	Indicated No Conflicts To Declare.
Jeremy Wallman	Head of Primary Care Commissioning; Dentistry, Optometry and Pharmacy	Primary care contracts sub-committee	Indicated No Conflicts To Declare.
Kate Hudson	Observer of Primary Care Contracts Sub Committee	Primary care contracts sub-committee	Indicated No Conflicts To Declare.
Amy Wilkinson	Director of Partnerships, Impact and Delivery	City & Hackney ICB Sub-committee City & Hackney Partnership Board Primary care contracts sub-committee	Indicated No Conflicts To Declare.

NHS North East London

DRAFT
Minutes of the Primary Care Contracts Sub-Committee
Held on 18 March 2024; 13:00-14:20; Via MS teams

Members:	
Sue Evans (SE) - Chair	Associate Non-Executive Member, NHS North East London
Ahmet Koray (AK)	Chief Finance and Performance Officer, NHS North East London
Sarah See (SS)	Managing Director of Primary Care, NHS North East London
Diane Jones (DJ)	Chief Nursing Officer, NHS North East London
Attendees:	
Jane Lindo (JL)	Director of Primary Care, NHS North East London
William Cunningham-Davis (WCD)	Director of Primary Care Delivery, NHS North East London
Richard Bull (RB)	Primary Care Group Director, NHS North East London
Alison Goodlad (AG)	Deputy Director of Primary Care, NHS North East London
Lorna Hutchinson (LH)	Assistant Head of Primary Care, NHS North East London
Gohar Choudhury (GC)	Assistant Head of Primary Care, NHS North East London
Jeremy Wallman (JW)	Head of Primary Care Commissioning; Dentistry, Optometry and Pharmacy, NHS North East London
Rob Dickenson (RD)	Senior Finance Manager, NHS North East London
Raliat Onatade (RO)	Chief Pharmacist and Director of Medicines and Pharmacy
Kate Hudson (KH)	LLMC Director of Primary Care (for NEL, SEL & SWL)
Jignasa Joshi (JJ)	NEL ICS Optometry lead
Dr Reza Manbajood (RM)	East London and City Local Dental Committee
Natalie Keefe (NK)	Head of Primary Care Delivery, NHS North East London
Anne-Marie Keliris (AMK)	Head of Governance, NHS North East London
Keeley Chaplin (KC)	Governance Systems Lead, NHS North East London (minutes)
Apologies:	
Amy Wilkinson (AW)	Hackney Place Director, representing NEL Place Based Partnerships
Ben Molyneux (BM)	Assistant Medical Director, NHS North East London
Paul Gilluley (PG)	Chief Medical Officer, NHS North East London
Shilpa Shah (SSh)	CEO, North East London Pharmaceutical Committee
Som Hirekodi (SH)	Barking and Havering LDC
Asif Imran (AI)	Barking, Dagenham and Havering LMC
Ian Williamson (IW)	London Wide LMC

Item No.	**Item title**	**Action**
1.0	**Welcome, introductions and apologies**	
	The Chair welcomed everyone to the meeting including members of the public who had joined the board meeting to observe, noting this is the first Primary Care Contracts Sub-committee meeting to be held in public. Apologies were noted as above.	
1.1.	Declaration of conflicts of interest	
	The Chair reminded members of their obligation to declare any interest they may have on any issues arising at the meeting which might conflict with the business of the committee. No additional conflicts were declared.	

	Declarations made by members of the committee are listed on the register of interests. The register is included in the pack of papers and available from the secretary of the committee.	
1.2.	Minutes of the meeting held on 29 January 2024	
	The minutes of the meeting held on 29 January 2024 were accepted as an accurate record.	
1.3.	Matters arising/action log	
	The action log was reviewed and actions from the meeting held on 27 November were noted as completed and closed. The following updates to outstanding actions was noted as follows: • 5.0 Extension of NEL-wide LISs: A review of extending LISs has commenced including the Care Home LIS and Safeguarding LIS where it is proposed that these are extended for a year. A meeting has been arranged with the quality team to discuss revised quality indicators from 25/26 and action to remain on the log. • 8.0 Finance report: ARRS roles recruitment and funding – to support recruitment and retention of clinical pharmacists, SS and RO have started discussions with borough clinical leads regarding a potential Chronic Kidney Disease (CKD) pilot in City & Hackney (C&H) and Barking & Dagenham (B&D) working alongside training and education leads and Long Term Condition (LTC) leads. An update will be provided to members at a future meeting. Financial support for ARRS staff maternity and sickness leave payments is being raised with NHSE. • 9.0 Risk Register: Primary care team to meet with the Quality team to review risks and scoring. This will remain on the log.	SSe
2.0	**Questions from members of the public**	
	The Chair advised that one question has been received from a member of the public and they were invited to read the question. SSe provided the answer below: **Q.** The NHS Act 2006 sets out a number of general duties that apply to an ICB in exercising its function of which item 1 is "The duty to bring improvement in the quality of services". So the question is "Could you please detail how the proposed changes to the contract at Aldersbrook Medical Centre will satisfy this requirement? **A.** The current contract in place at Aldersbrook Medical Centre is a fixed-term contract which is reviewed every five years. Along with other ICBs across London, our policy is to gradually move away from short-term contracts like the one held by the current provider at Aldersbrook to longer-term contracts. The aim of this is to ensure patients have less uncertainty and more longevity over who runs their practice. We have been in discussions with the provider about how we provide care at this practice in the future. However, they have said they do not wish to extend their contract beyond 30 June 2024. Our aim is to ensure the patients of this practice have access to safe, high-quality care through a sustainable and long-term arrangement. While we will continue to talk to the current provider, we are now exploring alternative	

DRAFT

	solutions for the running of the practice, so patients continue to receive services and care. If we are able to secure a new provider, the contract would include all the essential services we provide patients across north east London, including access to routine and urgent GP appointments on weekdays, evenings and weekends; and access to a broad range of healthcare professionals either at the practice or via the local Primary Care Network. We have been working closely with practices across north east London to improve GP services and will continue to work with the future provider of Aldersbrook Medical Centre to improve services and health outcomes for local people registered with the practice. Some examples of improvements we have already been making recently in primary care across north east London include: • Introducing routine appointments bookable in the evenings and weekends • Ensuring access to urgent GP appointments seven days a week • Increasing the number of appointments available to patients. The rate of GP practice appointments in north east London has increased by 5.3% over the past year. We are now offering over a million appointments a month – more than pre-pandemic levels. • Investing to modernise and digitise telephone systems at around 160 (61%) of local practices to make it easier for patients to book and to enable video consultations. • Improving access to a range of healthcare professionals at practices and PCNs - such as community pharmacists, nurses, physiotherapists, social prescribers etc. • Working with local pharmacies to introduce the new Pharmacy First scheme, enabling residents to get prescriptions for a range of conditions from their pharmacists that they could previously only get from their GP. This will help reduce demand on local practices. We have the highest uptake in London for this scheme with 97% of our pharmacies signed up. **Q.** There is a proposal for six new APMS practices, as well as an APMS practice contract extension so why are these being allowed but the Aldersbrook practice is changing. **A.** The ICB went out to procure these six new contracts using the APMS model prior to the launch of a new provider selection regime which offers more flexibility to work with existing providers, such as GMS and PMS providers. Securing provision with one of these providers could give longevity in services without the need for a five year contract review. Further meetings will be arranged relating to Aldersbrook Medical Centre. However, as London has entered the pre election period it should be noted that this will delay the timescale on any decision being made.	
3.0	**Special Allocation Scheme**	
	GH provided an outline of the Special Allocation Scheme (SAS) to members which is a statutory service provided to patients who are violent or aggressive. GH noted the following: • The current contract is due for renewal on 31 January 2025. • NHS England (NHSE) has recently reviewed the commissioning and management of SAS and has published a national report and the ICB has reviewed its arrangements to ensure they are compliant with the recommendations of the report.	

DRAFT

	• The current provider is performing well and providing a good service. • The contract provides primary care services to a list of around 200 patients who have been removed from their GP practice for violent and aggressive behaviours. • There are three options to consider - to terminate the contract and go out to procurement; to extend the contract for a further five years; that the contractor does not wish to extend the contract. • The recommendation is to extend the contract for a further five years. Discussion points included: • Contacts are being made with practices who have higher referrals to understand the reasons for this and to offer support. • A full review of the equality impact assessment will be undertaken. • It is an important service that helps to protect patients and staff. • Stakeholder feedback should be sought in advance of the next contract renewal, with a particular focus on regarding patient discharge from the service back into mainstream practices. The Primary Care Contracts Sub-committee **approved** the recommendation of option two, to extend the contract for a further term of five years until 31 January 2030.	
4.0	**Dental, Optometry & Pharmacy Report**	
	JW briefed members on the performance of dental, optometry and pharmacy contracts, as at month 11, highlighting the following: • The report focuses on primary, secondary, community and specialist dentistry. • NEL high street dentistry is delivering 90% against contracts in place and is the best performing ICB in London. • The forecast may change as there is usually an increase in delivery towards the end of the year. • The threshold for delivery of contracts has reverted to 96%. • In August 2023 the ICB agreed investment for dentistry access which has had a positive impact with the level of access improved. • The paediatric waiting list has reduced considerably. This is mainly attributed to the specialist dental suite in the Royal London Hospital that receives children from London hospitals, removing them from their waiting lists. • The number of patients waiting over 65 weeks has reduced slightly but staff shortages and lack of access to theatre space remains an issue, particularly with Barts Health. The Primary Care Contracts Sub-committee **noted** the update.	
4.1.	Dental recovery plan	
	JW shared the briefing that was presented to the ICB Executive Management team following the Government's publication of the Dental Recovery Plan in February 2024. There are four key aspects of the plan relating to dental commissioning, two of which will affect London commissioners which are: • An increase in the minimum units of dental activity (UDA) value to £28, however many NEL dentists are already at that level. This came into effect from 1 March 2024.	

DRAFT

	• Introduction of a new patient premium for 2024/25. This will run from 1 March 2024 for 13 months until 31 March 2025. • Changes that were needed to be applied for eligible practices have been made. • The ICB has received its allocation for the changes implemented however the next year's allocation has not been announced. Members thanked JW and the team for the huge amount of work they have undertaken and asked if the provision at the Royal London Hospital has secured funding on a long term basis. JW explained that this should be made a permanent arrangement and would like to build this into the contract next year. The Primary Care Contracts Sub-committee **noted** the update and that it will receive a regular report on Dental, Optometry and Pharmacy services (DOPs).	
5.0	**Finance Report**	
	Rob Dickenson (RD) briefed the sub-committee on the month 10 position. Key points noted were: • NHS NEL have reported a £21m forecast overspend against the annual primary care budget of £950m, which includes the delegated DOPs budget. • The prescribing position has a £25m overspend with a forecast position of £30.2m. The forecast is made of a combination of factors, which include an assumed shortfall in efficiency target and an increase in volume and price of prescribing. • The Medicines Optimisation team have compared data and NEL ICB is one of the lowest spenders per 1000 patients. The team has a continuing focus on areas of efficiency and data analysis. • DOPs have a forecast underspend of £10.2m. • Under the Additional Roles Reimbursement Scheme (ARRS) most networks are forecast to utilise at least 90% of their allocations with 40% utilising all of their allocations, much higher than in previous years. This has been helped by the ICB working rigorously with the Primary Care Networks (PCNs). • National guidance on 2024/25 contracts is awaited and an update will be presented to the next meeting. The Primary Care Contracts Sub-committee **noted** the primary care finance report from month 10.	
6.0	**Locum reimbursement protocol update**	
	SSe provided a verbal update on the locum reimbursement protocol. This policy was agreed and implemented in January 2024. The protocol relates to outstanding payments. Final claims received are being reviewed to ensure that they fit the criteria of the policy and a panel is being convened to review these in April 2024. The new policy stipulates that practices are to submit their invoices within a 2-4 week period. LMC colleagues have been supporting the process to its conclusion and have been in contact with their member practices which has been very helpful.	

DRAFT

	The Primary Care Contracts Sub-committee **noted** the verbal update.	
7.0	**Remedial Breach Notice approved by virtual sub-committee**	
7.1.	Waltham Forest - Forest Surgery	
	Forest Surgery was issued with a Remedial Notice following 'Requires Improvement' CQC rating which was approved virtually by the sub-committee on 21 February 2024. The caretaking arrangement is due to end on 31 March 2024 and a new provider will be taking over. The ICB are monitoring progress with the practice to ensure the issues are addressed prior to the new Provider being in place on 1st April. The LMC noted the decision made virtually and would like to further discuss LMC engagement on the issuing of breach notices. **Action:** Primary care team to discuss LMC engagement in the decision-making process, when decisions are made virtually by the sub-committee. The Primary Care Contracts Sub-committee **noted** the verbal update.	 AG
8.0	**Any other business**	
	The Chair noted that the primary care directorate will be losing two long standing senior members of the team. Jane Lindo and Richard Bull will be leaving the organisation at the end of March 2024. They have been exceptional members of primary care and all the work and leadership they have provided for the organisation and on behalf of patients has been very much appreciated.	
9.0	**Items for information only**	
9.1.	GP contract report	
9.2.	Risk register (top 5)	
9.3.	Primary care access recovery plan	
9.4.	Approved terms of reference	
	The above items were presented for information and were noted.	
	Date of Next meeting – 21 May 2024	

DRAFT

NHS North East London

Primary Care Contracts Sub-Committee – Actions Log

OPEN ACTIONS					
Action ref:	**Date of meeting**	**Action required**	**Lead**	**When**	**Status**
ACT001	29/01/24	5.0 Extension of NEL-wide LISs for the PCN Supplementary Care Homes Service and Safeguarding (General Practice Reporting)	AG/AK/ SS	Mar 24 May 24	The NEL-wide PCN Supplementary Care Homes Service and Safeguarding (General Practice Reporting), have been extended for 24/25, alongside other primary care LISs, while they are reviewed.
ACT002		Liaise with the Quality Team to support with review and development in assessing quality in the delivery of these services for 25/26	AG/DJ	Mar 24	Work has been undertaken on reviewing performance against the Care Home LIS and Safeguarding LIS. AG has made contact with the quality team to help provide support in the review and development of assessing quality in the delivery of these services for 25/26
ACT003	29/01/24	8.0 Finance report Meeting to be arranged to discuss ARRS and pharmacy recruitment to explore developing a business case to support utilising the funding source. **Update 18/03:** SS and RO have discussed a potential pilot in C&H, B&D based on CKD working with training and education leads and LTC leads. An update will be provided to members at a future meeting.	RO/SS/ BM	Completed	RO and SS have met and discussed ARRS – see update 13/03. Added to the forward planner and action closed
		Support for ARRS staff maternity and sickness leave payments is being raised with NHSE.		Completed	The ARRS budget can be used to cover staff maternity and sickness payments as per extract below from contract guidance. 7.5.11. Baseline posts occupied by fixed term appointed staff can be considered to be 'filled' only if they are part of a long-term arrangement, which must be in place for a minimum of six months or more. Equally, PCNs will only be eligible to claim reimbursement for additional posts to be occupied by staff on fixed-term contracts, if these are for a minimum period of six months or more, unless the purpose is to provide temporary cover (e.g. sickness or parental leave) for an individual employed through the Additional Roles Reimbursement Scheme. In these circumstances, PCNs will be able to claim up to the maximum reimbursement amount per WTE as set out in the Network Contract DES Specification for actual salary plus employer on-costs (NI and pension), pro-rata for the period of the contract of employment and relevant WTE.

OPEN ACTIONS					
Action ref:	**Date of meeting**	**Action required**	**Lead**	**When**	**Status**
ACT004		RO and DJ to discuss wound care and improvement on spend.	RO/DJ	Mar 24	Action being progressed.
ACT005	29/01/24	9.0 Risk register Primary care to meet with the Quality team to review risks and level of scoring.	AG/DJ	Mar 24	AG has made contact with the Quality team to arrange a meeting to review.
ACT006	18/03/24	1.3 Action log Discussions have commenced on Chronic Kidney Disease (CKD) pilot in City & Hackney (C&H) and Barking & Dagenham (B&D) and an update will be provided to a future meeting.	SS	July 24	Added to the forward planner
ACT007	18/03/24	7.1 Forest Surgery Primary care team to discuss LMC engagement in the decision-making process, when decisions are made virtually by the sub-committee.	AG	Completed	AG has discussed the process with the LMC.

NHS
North East London

Primary Care Contracts Sub-committee

21 May 2024

Title of report	AT Medics Change of Control
Author	Alison Goodlad, Deputy Director Primary Care
Presented by	Alison Goodlad, Deputy Director Primary Care
Contact for further information	nelondon.nel-primarycare@nhs.net
Executive summary	On 30 November 2023 the NHS was asked for authorisation for a change of control by Operose Health which owns AT Medics. AT Medic run six practices across NEL. We commenced a due diligence exercise to assess the standing of the new owner and understand any implications of the change of control. In March 2024 we were informed that a change of control had already taken place on 28 December 2023. A breach notice was issued to AT Medics in respect of the Change of Control being enacted without seeking consent first. The Due Diligence process has now concluded, and its findings are shared within this report for noting.
Action required	The Primary Care Contracting Sub Committee is asked to: • **Note** the issuing of a breach notice to AT Medics • **Note** the findings from the Due Diligence process • **Note** that a further report will be taken to the July Primary Care Contracts Sub Committee to consider options and next steps.
Previous reporting	Not applicable
Next steps/ onward reporting	The July NEL ICB Primary Care Contracts Sub Committee will consider the options available and will be asked to take a decision on next steps.
Conflicts of interest	None
Strategic fit	• To enhance productivity and value for money
Impact on local people, health inequalities and sustainability	Ensure access to safe and adequate primary care services for local people
Impact on finance, performance and quality	There are no additional resource implications/revenue or capital costs arising from this report

Risks	In order to understand any potential risks to the delivery of patient care, a due diligence exercise has been undertaken to assess the standing of the new owner and understand any implications of the change of control. At the point of deciding on any further actions and next steps, we will be seeking to come to a balanced decision weighing up the risks of continuing with the current AT Medics contracts against the risks of seeking alternative means of providing care to these patients, taking into account legal and contractual issues and ensuring that we comply with our duty to commission safe, effective patient care.

1.0 Background

1.1 On 30 November 2023, the NHS was asked by AT Medics for authorisation for a change of control. The change of control was of the ownership of Operose Health Ltd to be transferred from MH Services International (UK) Ltd, a subsidiary of Centene Corporation, to T20 Osprey Midco Ltd. The NHS then commenced a due diligence exercise to assess the standing of the new owner and understand any implications of the change of control, including making formal enquiries to Operose Health Ltd.

1.2 AT Medics Ltd was set up by GPs in 2004 and is a large provider of general practice services. It was acquired by Operose Health Ltd in 2021 who were ultimately owned by Centene Corporation. AT Medics Ltd holds six Alternative Provider Medical Services (APMS) contracts in north east London. AT Medics Ltd is part of the Operose Health Group, which holds a number of other contracts in London and elsewhere in England. The APMS contracts that it currently holds in north east London are:

- The Loxford Practice – Redbridge
- Lucas Avenue Practice – Newham
- Carpenters Practice – Newham
- E16 Health – Newham
- Trowbridge Surgery– City & Hackney
- Goodman's Field Centre – Tower Hamlets

1.3 Operose Health Ltd also has operational management control of John Smith Medical Centre, Barking and Dagenham – Chilvers & McCrae Ltd (PMS practice). Under the terms of the PMS contract, the contract holder does not have to seek our consent to undergo a change of control.

1.4 The ICB were written to on 15 March 2024 to inform us that a change of control took place on 28 December 2023. That is, the NHS was not informed of this at the time. Under the terms of the APMS contracts, providers may not undergo a change of control without the NHS's prior authorisation.

2.0 Breach Notice

2.1 On 1 May AT Medics were served notice by North East London ICB that they had breached Clause 54.3 of the APMS contract in that they had undergone a Change of Control without the prior authorisation of the Commissioner.

2.2 AT Medics were informed that we consider this to be a serious breach and are currently considering what further action to take under the Contracts. (See breach notice – Appendix A.)

2.3 AT Medics responded to the breach notice, acknowledging the breach and giving an assurance that we they do not intend to further breach their contracts with us. (Appendix B). We will be seeking further assurance from them of better conduct in future, regarding the fact that they did not communicate the change of control to us for several months.

3.0 Due Diligence and consent to change of control

3.1 The NHS has continued its due diligence process to ensure the NHS has all the information needed regarding the companies involved. This process has now concluded.

3.2 The ICB will not be using this information to give retrospective approval for change of control, but instead use this information alongside other considerations to inform future decision making around next steps. This is for the following reasons:

- In line with the requirements of the APMS contract, Change of Control requests must be approved prior to any Change of Control being enacted
- There was never any expectation that a Change of Control would go ahead without authorisation or that a request would be considered retrospectively as this may encourage or permit providers to knowingly breach the Change of Control clause in the future
- Undertaking a retrospective decision on whether to approve the Change of Control would be a futile exercise because the Change of Control has occurred and cannot be reversed – granting or refusing authorisation retrospectively will have no bearing on the ownership and control of AT Medics.

4.0 Findings from the Due Diligence Process

4.1 A summary of the findings is provided in Appendix C.

Key points are as follows:

- No compliance issues have been identified

- Ownership has transferred to T20 Osprey Midco Ltd which is a special purpose vehicle company without a track record. However, the sale of AT Medics, AT Medics Holdings LLP and Operose Healthcare Ltd is a buyout of those businesses by the wider HCRG group of companies and its owners, two individual private investors

- Operose confirmed that there is no intention to transfer data outside of the UK, and there is no planned transfer of assets or data generally.

- New debt was registered against AT Medics, AT Medics Holdings LLP and Operose which Operose reported was a refinancing of existing debt of the Buyer's wider group of companies. AT Medics is now subject to additional potential liabilities. Whilst this is not unusual in transactions of this nature we have been unable to ascertain the extent of these

- Operose and AT Medics have stated that they will continue to operate as a financially sustainable standalone business focused on delivery of primary care services following the Change of Control, and that the arrangements relating to staffing and data protection, will remain the same.

4.2 We are seeking further advice around implications and risks in relation to the refinancing of existing debt and the potential liabilities that AT Medics is now subject to.

5.0 Next Steps

5.1 The findings from the Due Diligence report will be considered alongside further information on the quality and performance of AT Medics practices in the consideration of next steps. The July meeting of the NEL ICB Primary Care Contracts Sub Committee will consider options available and consider further action.

NHS
North East London

Appendix A

4th Floor
UNEX Tower
5 Station Street
London
E15 1DA

nelondon.nel-primarycare@nhs.net

To:

Nick Harding

Chief Medical Officer

AT Medics Ltd

1 May 2024

Dear Nick Harding

Re: Breach Notice – Unauthorised Change of Control

We write in relation to the Alternative Provider Medical Services (APMS) contracts held by AT Medics Limited and listed in the Appendix to this letter (**the Contracts**).

As you are aware, NHS England has arranged for NHS North East London to exercise its primary medical services commissioning functions in respect of north east London, including the management of the Contracts.

We hereby serve you notice that AT Medics Limited has breached the Contracts on the following grounds.

Clause 54.3 of the Contracts states:

> *Save in respect of a public limited company listed on an internationally recognised exchange the Contractor shall not undergo a Change of Control without the prior authorisation of the Commissioner and subject to such conditions as the Commissioner may impose.*

On 30 November 2023, AT Medics Limited made a written request for our prior authorisation to undergo a proposed Change of Control (as defined within the Contracts). Within the request, AT Medics Limited specified the proposed Change of Control as arising from the proposed transfer of the ownership of Operose Health Limited from MH Services International (UK) Limited to T20 Osprey Midco Limited.

On 28 December 2023, AT Medics Limited underwent the Change of Control, as specified above, without our prior authorisation, and therefore in breach of Clause 54.3.

We first became aware that the Change of Control had taken place, and therefore that AT Medics Limited had breached of Clause 54.3, on 15 March 2024.

We require you not to repeat this breach or otherwise breach the Contracts.

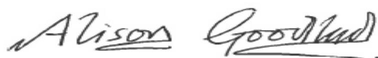
We consider this to be a serious breach and are currently considering what further action to take under the Contracts. This breach notice is entirely without prejudice to, and we fully reserve, our ability to exercise any of our rights under the Contracts, and to enforce any of the terms and conditions of the Contracts, at any time. This includes, without limitation, our right to terminate the Contracts.

This document constitutes a separate breach notice in respect of each of the Contract as outlined below. The breach notices are set out within this single document for the purposes of efficiency only. If any one of the separate breach notices is held to be invalid, illegal or unenforceable by any court, tribunal or other competent body, this shall not affect the validity, lawfulness or enforceability of any other breach notice.

- The Loxford Practice – Redbridge
- Lucas Avenue Practice – Newham
- Carpenters Practice – Newham
- E16 Health – Newham
- Trowbridge Surgery– City & Hackney
- Goodman's Field Centre – Tower Hamlets

If you do not agree with our decision to issue this breach notice, please refer to the Dispute Resolution Procedure set out within the Contracts.

Yours sincerely



Alison Goodlad
Deputy Director of Primary Care Commissioning

NHS North East London

APPENDIX B

AT Medics
Part of the Operose Health Group

Dear Alison,

We write to acknowledge and respond to your breach notice dated 1 May 2024 regarding the change of control of AT Medics Limited. It is with regret that we find ourselves in this situation, and you have our personal assurances that we do not intend to further breach our contracts with you.

The management team of Operose Health and, since late last year, those from the wider group involved in the transfer of the Operose Health (and AT-Medics) business from Centene, have worked closely together on the change of control process and have acted to respect the process and the NHS requirements wherever this was within our control.

The shift in ultimate ownership of the business on 28 December was a requirement imposed by Centene in the sale agreement to allow it to complete its exit from the UK. The approach taken was to enable Centene to comply with its notification obligations as a publicly listed company on the New York Stock Exchange. This same sale agreement requires change of control approval to be sought and, if possible, obtained; there are contractual consequences between the sale parties if the consent is not forthcoming.

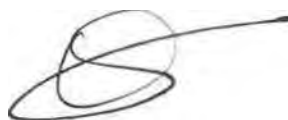
We have demonstrated the many benefits we believe Operose Health (and AT-Medics) joining HCRG's health and care group will bring for patients and for the communities we serve, delivering primary care at scale as part of a UK-based and UK-managed organisation.

The change in ultimate ownership has not, and will not, affect Operose Health (and AT-Medics) local surgery teams, nor negatively impact the care or services that patients receive from them. The practices are operating to a good standard, and over the last months various improvements in terms of practice performance and staffing have been made and we have attached a full report detailing some of these improvements to this letter.

It is our intent to continue to respect and co-operate with the change of control process as it proceeds, and to provide any and all information required to demonstrate that as experienced providers of health and care contracts, HCRG is an owner of good standing for Operose Health (and AT-Medics) and will continue to deliver benefits for patients now and into the future.

If you have any questions or would like to meet with us, please do not hesitate to contact Jane Pirie (jane.pirie@operosehealth.co.uk) to arrange a mutually convenient time.

Best wishes



Samantha Kane
Interim Chief Executive Officer

Dr Nick Harding
Chief Medical Officer

APPENDIX C

Date: 14 May 2024
Ref: 12019917.95

HILL DICKINSON

Dated 14 MAY 2024

NORTH CENTRAL LONDON ICB

DUE DILIGENCE SUMMARY REPORT

CONFIDENTIAL AND SUBJECT TO LEGAL PROFESSIONAL PRIVILEGE

This report is confidential and subject to legal professional privilege, the benefit of which belongs to NHS North Central London Integrated Care Board.

Should NHS North Central London Integrated Care Board publish this report or its contents, or share this report or its contents with any third party, this is for a specific and limited purpose and does not amount to any waiver of confidentiality or privilege by NHS North Central London Integrated Care Board in general or in respect of any other confidential and/or privileged documents, whether relating to and/or in connection with the subject matter of this report or not.

Hill Dickinson LLP
The Broadgate Tower
20 Primrose Street
London
EC2A 2EW

North Central London ICB
Due Diligence Summary Report

1 INTRODUCTION

1.1 North Central London ICB (the **ICB**) asked Hill Dickinson (**HD**) to undertake a due diligence exercise in relation to the change in control request received by the ICB from Operose Health Limited[1] (**Operose**), which described a sale of Operose by Centene Corporation[2] (the **Seller**) to T20 Osprey Midco Ltd[3] (the **Buyer**) (the **Change of Control**).

1.2 The Buyer is part of the same group of companies as HCRG Care Ltd[4], an existing provider of APMS contracts to the NHS. HCRG Care Ltd (through its holding company[5]) and the Buyer are both owned by T20 Pioneer Midco Limited[6].

1.3 Operose requested the consent for the Change of Control on behalf of its subsidiary company, AT Medics Limited[7] (**AT Medics**), which holds the APMS contracts commissioned by the ICB (and other ICBs).

1.4 This due diligence (**DD**) exercise was undertaken in connection with the requirement under the APMS contracts for AT Medics to obtain the ICB's prior authorisation before undergoing a change of control.

1.5 We set out as appendices to this report the timeline of events to date, the questions asked of Operose (the **DDQs**), and information provided by Operose in response to such questions (the **DD Responses**).

1.6 This report contains the following sections:

1	Introduction & Contents
2	Our findings
3	Additional Information
Appendix 1	HD Input
Appendix 2	Structure Chart of the Buyer and HRCG group
Appendix 3	DD Responses
Appendix 4	Letter requesting consent

[1] Company no. 10014577

[2] A publicly traded company incorporated in the United States with an address 7700 Forsyth Blvd., St Louis, MO 63105, USA.

[3] Company no. 15294854

[4] Company no. 05466033

[5] HCRG Care Group Holdings Ltd - company no. 03201165

[6] Company no. 14266834

[7] Company no. 05057581

2 OUR FINDINGS

We set out below our findings based on the responses and information provided by Operose and also based on our searches (see Appendix 1 for the approach to this). Please note that HD has not independently verified the information provided by Operose, though we have not seen any indication that the factual information provided is incorrect.

2.1 Corporate Structure

2.1.1 Please see **Appendix 2.** The DD responses received, including the structure chart at Appendix 2, show the corporate structure that Operose sits within.

2.1.2 This is a large group structure, with two corporate entities as the ultimate beneficial owners of the whole Group (IJMH Limited[8], Twenty 20 Capital Limited [9]). IJMH Limited is controlled by Ian James Munro, an individual who is a British national and resident of England. Twenty 20 Capital Limited is controlled by Tristan Nicholas Ramus, an individual who is a British national and resident of England.

2.1.3 In the new structure, 100% of the shares in Operose, and a 1% minority interest in AT Medics, are owned by the Buyer. In the new structure, Operose sits underneath the Buyer (a special purpose vehicle used only as a holding company for Operose), and shares a holding company with HCRG Care Group Holdings Ltd[10], but is not directly linked. Operose confirmed that the Buyer is registered, managed, and is paying tax in the United Kingdom.

2.1.4 The Buyer refers to HCRG Care Group in some of its responses. HCRG Care Group is a description of the various entities in the company group, including HCRG Care Group Holdings Ltd and its subsidiaries (including Peninsula Health LLP – see Structure Chart). We understand that HCRG Care Group was “leading the process” with Operose. We also understand that it is intended that the Operose group, in the ownership of the Buyer, will operate as a separate business division to the HCRG Care Group (see next).

2.2 Operational running of the Business

2.2.1 The Buyer’s group (T20 Pioneer Midco Ltd and its subsidiaries) operates two main businesses, being HCRG Care Group which provides health and care services to NHS and local authorities, and HCRG Workforce and Sugarman Holdings Limited [11], which provides staffing services and workforce solutions to NHS Trusts and Local Authorities.

2.2.2 It is intended that Operose and AT Medics will continue to operate as a financially sustainable standalone business focused on delivery of primary care services following the Change of Control, and that the arrangements relating to staffing and data protection in particular will remain the same.

2.2.3 HCRG Care Group Holdings Ltd has been one of the largest independent providers of primary and community services to the NHS and Local Authorities since 2006. Operose referenced experience in the healthcare sector in its responses, and in particular noted that HCRG Care Services Ltd holds APMS contracts currently. Many of the DD Responses are provided on the basis that the ICB should seek

---

[8] Company no. 11409826

[9] Company no. 11455082

[10] Company no. 03201165

[11] Company no.13184278 (note: the name of this company changed in April 2024, and so the Structure Chart shows the previous name).

assurance from the business and performance of the HCRG Group, since Operose sits within the same overall corporate group which houses HCRG Group.

2.2.4 Please see **the responses in Appendix 3** - Operose notes that following the Change of Control, there will be an aim for closer working within the Group, including that HCRG Workforce Solutions (a subsidiary of HCRG Care Ltd) may provide staffing services, and Sugarman Occupational Health (a subsidiary of HCRG Care Ltd) may provide such services to staff.

2.2.5 It is intended, subject to confirmation by the management team at Operose of sufficient capacity, that within 12 months of the Change of Control, all of the APMS services provided by the companies within the HCRG Care Group will transfer to management by Operose.

2.2.6 Operose confirmed that, though there are no planned governance changes (except for necessary removal of directors from Operose), it is possible that opportunities to combine the governance functions of the organisations may be identified in the future.

2.3 **Compliance**

2.3.1 As a recently established special purpose vehicle, and a holding company, the Buyer itself does not hold licences or consents or provide regulated healthcare services itself.

2.3.2 Operose confirmed no changes will be needed to licences and consents required to carry on the business. Operose did not provide currently held licences/ consents.

2.3.3 Operose provided copies of the Buyer's Anti-bribery and Fraud policies and also set out the procedures in place for compliance with data protection laws, but those are for companies within the HCRG Care Group and so were provided for context/ information as we understand it. The Operose policies will remain in place for Operose and its subsidiaries (and so there is no anticipated changes in the way that Operose will approach these issues).

2.3.4 Operose confirmed that there is no intention to transfer data outside of the UK, and there is no planned transfer of assets or data generally.

2.3.5 HCRG Care Services Ltd is regulated by the CQC and currently rated "Good" overall, "Good" in the domains of "Safe", "Effective", "Caring", "Responsive" and "Outstanding" in the domain of "Well-led".

2.3.6 HCRG Care Group is subject to oversight by NHS England within its Hard to Replace oversight framework, though we have not seen evidence of this. NHS England have confirmed that Operose Health Ltd and its subsidiaries including AT Medics Limited and AT Medics Holdings LLP will form part of the NHS England monitoring process going forward. The companies will report on a quarterly basis with the HCRG Care Group from 1 April 2024.

2.4 **Liabilities**

2.4.1 Operose confirmed that, other than ongoing medical claims which are part of the usual running of a health and care service provider (in respect of HCRG Care Group), there is no ongoing or threatened litigation, arbitration, mediation or similar disputes, proceedings, judgments, orders, findings or decisions of a regulatory body which could affect the Buyer or its business.

2.5 **Staffing**

2.5.1 As of 30 September 2024 there were 1,219.9 FTE employees of Operose, and the headcount for Operose was 1,574. Operose confirmed that it will continue to operate

as before, and that there is no change of employer and so TUPE is not engaged. Operose also provided information relating to the stability of the workforce, and in particular, the Buyer cites awards won or shortlisted for in the last 10 months.

2.5.2 Operose confirmed that there is no intention to change or merge the operating models of HCRG Care Group and Operose Health, including with regards to the use of Physician Associate roles. Operose described the services provided within HCRG Care Group, and by Operose, as well reviewed by regulators and confirmed that the intention is not to merge the operating models of HCRG Care Group and Operose, but instead to continue to provide high quality care within both organisations.

2.6 **Financial**

2.6.1 HD has not reviewed the financial documents provided as part of the DD Responses from an accounting perspective, but has reviewed them with a view to flagging high level legal risks.

2.6.2 Operose provided the financial details of the Buyer for the financial year ending April 2023, but at the time of the response the Buyer had not yet published audited accounts as it is a special purpose vehicle which was established within the previous year to hold the shares in health and care services businesses. Operose provided unaudited accounts for the period ending 31 March 2023. Operose also provided an overview of the financial position for HCRG Care Group which is relevant to the Change of Control as the Buyer has linked the different group companies throughout the process.

2.6.3 All companies above Operose in the new structure, as well as HCRG Care Group Holdings Ltd and HCRG Care Ltd (see the full companies list in paragraph 1.4 of Appendix 1), have a complete Statement of Good Standing (which shows that, at the date of the statement, there are no relevant liquidation or other arrangements pending, and that the companies are in existence). The World Check searches came back for all of the companies listed below as clear, which means that the searches did not expose any potential criminality, Politically Exposed Persons (**PEPs**) or heightened risk individuals and organisations being involved in any of the companies.

2.6.4 All companies above Operose in the new structure, as well as HCRG Care Group Holdings Ltd and HCRG Care Ltd, also have clear insolvency checks, which shows that there are no winding up actions (current or past, being within the last 36 months, including notice of intention to appoint an administrator), published insolvency notices, relevant entries in the filing history, and charges, though there are charges listed on each which the ICB may find relevant or want to be aware of.

2.6.5 We noted to Operose that the Companies House documents for AT Medics Limited and AT Medics Holdings LLP, showed that a charge was registered against both on 13 March 2024 for the benefit of HSBC bank. We asked Operose for details of this, and they noted that T20 Osprey Midco Ltd, the parent company of Operose Health Limited, and its sister company HCRG Care Group Holdings Ltd, refinanced existing group debt with HSBC UK Bank in March 2024. Therefore, AT Medics are now subject to additional potential liabilities following the Change of Control, relating to pre-existing debt of the Buyer's group. However, we have been unable to ascertain the extent or significance of these liabilities.

3 ADDITIONAL INFORMATION

3.1 For your information/ further reading if required, a PDF of all information provided by Operose in this DD exercise, as well as the Companies House searches referenced in Appendix 1 accompanies this report.

APPENDIX 1: HD INPUT

APPROACH TO DDQS AND RESPONSES

1.1 HD and the ICB formed a view on what would be an appropriate level of due diligence for the Change of Control. This decision was made by reference to previous examples of similar changes in control/ decisions made.

1.2 Please see the timeline below.

30/11/2023	Change of Control letters issued to commissioners.
12/09/2023	Due diligence questionnaire sent out to Operose (“**DDQ 1”)**
06/12/2023	Response received from Operose.
28/12/2023	Change in control takes place.
19/02/2024	Supplementary due diligence response sent out to Operose.
06/03/2024	Supplementary due diligence response received from Operose.
15/03/2024	Change in control notified to ICB by email.
19/04/2024	Further due diligence questions sent out to Operose.
25/04/2024	Response received from Operose.

1.3 HD was asked to undertake searches/ requests as follows:

- Companies House Certificates of Good Standing,
- Bankruptcy Searches, and
- World Check Reports.

1.4 We determined that the most relevant companies for these searches would be all companies up the chain on the company structure chart provided, up to the ultimate owners of Operose Health Ltd should be reviewed. We also considered that it would be helpful to review HCRG Care Ltd and HCRG Care Group Holdings Ltd as much of the due diligence response received had referred to the success/ standing of those companies. We have listed these companies in full below for reference:

- IJMH Limited (11409826)
- Twenty 20 Capital Limited (11455082)
- Twenty20 Capital Investments Limited (12576810)
- JKON Advisory Limited (12580727)
- KFD2020 Ltd (12935008)
- SUBX Holdings Ltd (13748685)
- T20 Pioneer Holdings Limited (13758893)
- T20 Pioneer Midco Limited. (14266834)
- T20 Osprey Midco Ltd. (15294854)
- HCRG Care Ltd (05466033)
- HCRG Care Group Holdings Ltd (03201165)

APPENDIX 2: STRUCTURE CHART

T20 Pioneer Midco Ltd. – Chart

UMH Limited 1409826 (50%)
Twenty 20 Capital Limited
11455082 (50%)

Twenty20 Capital Investments Limited
12576810

JKON Advisory Limited
12580727

KFD2020 Ltd
12935008

SUBX Holdings Ltd
13748685

81% — 9% — 8% — 2%

T20 Pioneer Holdings Limited
13758893

92%

T20 Midco Management Shares

8%

T20 Pioneer Midco Ltd.
14266834

100%

HCRG Care Group Holdings
03201165
Detail Slide 2

T20 Osprey Midco Ltd.
15294854
Detail Slide 3

HCRG Workforce Solutions Ltd.
13184278
Detail Slide 4

Total Healthcare Partnership Ltd.
10812226

HCRG Care Group - Detail

HCRG Care Group Holdings Ltd - 03201165

100%

HCRG Care Ltd - 05466033

100%

HCRG Care Ltd subsidiary companies

- HCRG Care Services Ltd - 07557877
- HCRG Care Provider Services Ltd 07645492

100%

HCRG Care Community Services Ltd - 07568015

100%

HCRG Care Custodial Services Ltd - 14300284

90%

CMB Healthcare Holdings Ltd - 13464075

10% - Christopher Bailes

100%

- HCRG Medical Services Ltd - 12688975
- CRG Medical Services Ltd - 10702093

1%

99%

HCRG Care Ltd subsidiary companies

- HCRG Care Coventry LLP OC338351
- HCRG Care East Riding LLP OC322010
- HCRG Care Vertis LLP OC326636
- HCRG Care Reading LLP OC336595

50%

Peninsula Health LLP - OC327017

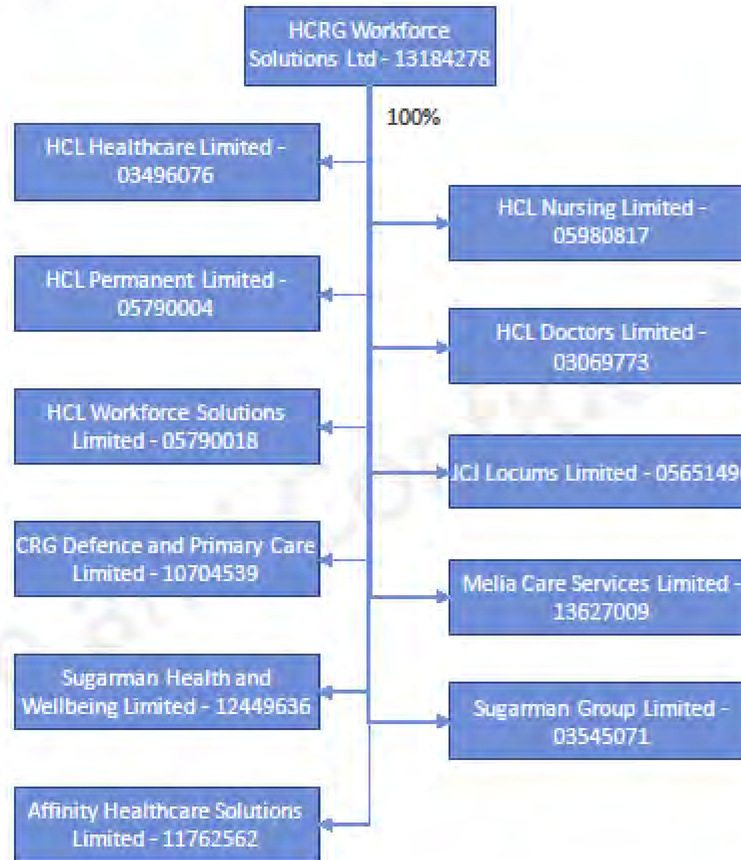
100%

HCRG Care Private Ltd - 10796658

care.think.do.

T20 Osprey Midco – Detail (Operose)

HCRG Workforce Solutions - Detail



care.think.do.

APPENDIX 3: RESPONSES

1 **RESPONSE RECEIVED 6.12.2023**

Note: Included with the response at 5.4 was a comment from the Buyer as follows: "The only entity licensed w/ NHSE is HCRG Care Services Limited."

#	Question	Buyer Response
1		
1.1	Confirmation of the company(s) to whom Centene proposes to transfer its Operose Health shares (**the Buyer**), including the Company House details for a UK-based entity, or equivalent if the company is based elsewhere.	**The Buyer** will be a special purpose vehicle holding company as part of our health and care group, through the entity T20 Osprey Midco Limited (registered with Companies House in England and Wales number 15294854 at 33 Soho Square, London, W1D 3QU). The largest company within the Buyer's Group and that leading the process with Operose Health Limited ('*Operose Health*') is HCRG Care Group, an NHS England accredited and licenced "Hard to Replace" provider of community services which has been supplying clinical services to the NHS and Local Authorities since 2006. Other group companies also contract extensively with the NHS to deliver on-framework staffing and care services.
1.2	Brief details of the Buyer's branches, agencies and places of business in the UK and elsewhere, and the nature of its businesses.	The Buyer is registered, managed, operating and paying tax in the UK. The Buyer primarily contracts with the NHS, Local Authorities and others for the provision of health and care services. **The Buyer** currently operates two main business lines: **HCRG Care Group** – The provision of health and care services to the NHS and Local Authorities. This business line is the largest, and is the entity leading the transaction with Operose Health. **HCRG Workforce Solutions** – The provision of staffing services and workforce solutions (including the provision of complex care support in patients' homes) to NHS Trusts and Local Authorities. We enclose a map (1-2 Service Location

187804214.1

#	Question	Buyer Response
		Map.pdf) detailing the locations of services operated by the Group.
1.3	A full structure chart showing the Buyer and all of its holding companies and its subsidiaries (each a "Group Company").	A structure chart is enclosed (1-3 Group Structure Chart.pdf). The Buyer and its holding companies are registered, managed and pays tax in the UK.
1.4	Copies of the Buyer's register of members, register of directors and register of persons with significant control.	A copy of the register of members, register of directors and register of persons with significant control is enclosed (1-4 PSC Register.pdf, 1-4 Register of Directors.pdf, 1-4 Register of members.pdf).
1.5	Confirmation of which Group Companies will have membership interests in Operose Health, and the proposed percentage of shares being transferred.	T20 Osprey Midco Limited will acquire 100% of the shares of Operose Health Limited and a 1% minority interest in AT Medics Holdings LLP, the holding company of AT Medics Limited.
1.6	Confirmation of the ultimate beneficial owners of the Buyer (i.e., the ultimate owners of any of the Buyer's holding companies).	Structure chart provided at 1.3 provides this detail (1-3 Group Structure Chart.pdf).
2		
2.1	A brief description of the business of each Group Company in the UK including a summary of contracts for NHS services held by each such Group Company. In particular, detail any existing or prior experience of any Group Company in running GP practices, including: a. Number of contracts held, b. Length of the contracts, and c. Commissioning organisations.	HCRG Care Group is one of the largest independent providers of primary and community services to the NHS and Local Authorities and has been part of the health and care system in England since 2006. The company holds more than 50 contracts with the NHS and local authorities to deliver community health and care services and employs more than 5,000 people delivering services ranging from District Nursing to Community Hospital Wards to Sexual Health and Health Visiting and School Nursing services. The company has operated primary care services for more than a decade, predominantly holding APMS contracts and successfully working closely with commissioners to transform or improve challenged services. All primary care services operated by the organisation are rated "Good" or "Outstanding" by the CQC. a. Entities within the HCRG Care Group currently hold contracts to operate 13 primary and urgent care

187804214.1

#	Question	Buyer Response
		services. b. Contract lengths vary from between 2 years and 13 years in total with an earliest start date of 1 May 2011. Of 10 contracts held, 6 have expired already or are due to expire on 31 March 2023 but have verbal or written intent to extend, with paperwork awaited. The remaining 4 are due to end on 31 March 2026. c. The services are commissioned by Birmingham and Solihull ICB, Buckinghamshire Oxfordshire and Berkshire West ICB, Coventry and Warwickshire ICB, and Mid and South Essex ICB. It is intended, subject to confirmation by Operose Health Management of sufficient capacity, that within 12 months of the transaction completing HCRG Care Group's current primary care services will transfer to Operose Health Management. The attached document (2-1 Primary Care Induction.pdf) is taken from HCRG Care Group's new Colleague Induction and provides details of the culture, values, successes and structure of HCRG Care Group's primary care operation.
2.2 187804214.1	Names of any UK company or businesses which were formerly a Group Company but have been wound up or sold within the last three years.	During 2020, HCRG Care Group (then known as Virgin Care) undertook a project to simplify its corporate structure. As part of this, legal entities which no longer held contracts (where these had been transferred to another Group legal entity, ended or transferred to another provider) were wound down. There have been no winding up proceedings initiated by third parties. The entities which were wound down as part of this exercise were: ▪ Virgin Care Corporate Services Limited ▪ VH Doctors Ltd ▪ Virgin Care Hampshire Health LLP ▪ Virgin Care Leeds LLP ▪ Virgin Care Chelmsford LLP
2.3	A brief description of any services provided by any Group Company to Operose Health or AT Medics Ltd and whether any such services will be	The **Buyer** and HCRG Care Group does not provide any services to Operose Health or AT Medics Ltd.

#	Question	Buyer Response
	affected by the change in control.	
2.4	Confirmation of whether any data or other assets currently held by Operose Health or AT Medics Ltd will be transferred to any Group Company and in particular any Group Company outside the UK.	There is no transfer of data outside the UK. Operose Health and AT Medics will operate in line with current status quo and, therefore, there is no transfer of assets, within or outside of the UK.
2.5	Confirmation that no changes in the governance structure or management of Operose Health, or AT Medics Ltd, including of its directors, are proposed.	There are no proposed changes to the governance structure or management of Operose Health or AT Medics Ltd as part of the transaction. There will be necessary changes to directors appointed by the current ultimate controlling party Centene Corporation. These individuals will resign as directors when the transaction completes, and the **Buyer** will appoint replacements. As Operose Health joins an established and experienced group of health and care organisations with governance arrangements praised by the CQC, it is possible that opportunities to combine the governance functions of the organisations may be identified in the future. Any changes would, of course, be carefully managed to maintain safety and Operose Health Management Team would continue to engage with commissioners regarding any changes as they would today.
3		
3.1	Details of, and copies of all documents relating to, any licences, consents, registrations, approvals, permits and exemptions (whether public or private) required or obtained by the Buyer in connection with the operation of its business, insofar as it is relevant to the AT Medics Ltd contract (“Consents”).	Copies of various licences, consents, registrations, approvals, permits and exemptions are attached. While Operose Health and AT Medics will continue to operate, HCRG Care Group presently operates 7 APMS primary and urgent care services for the NHS and has significant experience of governing and delivering these types of services.
3.2	Will any of the Consents be affected by the proposed change of control? If yes, please provide details.	No.
3.3	Details of, and copies of all documents relating to, any investigation, enquiry, prosecution or other enforcement proceedings or process by any governmental, administrative, regulatory	There have been none.

187804214.1

#	Question	Buyer Response
	or other body or organisation in relation to or affecting the Buyer or its business and details of any facts or circumstances that may give rise to any such matters.	
3.4	Details of any matter or circumstance that constitutes, or may constitute, a contravention or breach by the Buyer (or any of its officers, agents or employees) of the provisions of any Consent, statute, order or regulation made in the UK, and copies of all related documents.	There have been none.
3.5	Details of, and copies of all documents relating to, any anti- corruption policies and procedures that have been implemented by the Buyer to ensure compliance with the Bribery Act 2010.	We enclose a copy of the relevant policy (3-5 Anti Bribery and Anti Fraud Policy.pdf). The Buyer regularly demonstrates its governance and compliance with these regulations as part of tenders operated by the NHS and local authorities.
3.6	Details of the Buyer's procedures for ensuring and monitoring compliance with applicable data protection legislation.	HCRG Care Group is an experienced provider of health and care services and has a comprehensive set of procedures and policies to ensure its compliance with data protection legislation. The organisation has been awarded "Substantial Assurance" – the highest possible accreditation level – for handling information and data security against the NHS Data Protection and Security Toolkit. The organisation employs a dedicated Information Security team within its IT function as well as contracting with external experts to meet, and exceed, the relevant standards.
4		
4.1	Details of any ongoing or threatened litigation, arbitration, mediation or similar proceedings or disputes involving or otherwise affecting the Buyer or its business which may be reasonably considered to be material in relation to us.	The Buyer has no ongoing or threatened litigation, arbitration, medication or similar proceedings or disputes. HCRG Care Group, as a provider of health and care services, has from time to time ongoing or threatened medical claims. All claims are subject to rigorous internal investigation by our clinical quality, legal, governance and Customer Experience teams to establish the circumstances of each claim and lessons learned are escalated and disseminated within the organisation to avoid recurrence.

187804214.1

#	Question	Buyer Response
		Each claim is covered by insurance policies and none of these cases would be considered material in relation to this transaction.
4.2	Details of, and copies of all documents relating to, any outstanding or pending judgment, order, finding or decision of any court or regulatory body affecting the Buyer or its business.	There are no outstanding or pending judgements, orders, findings or decisions of any court or regulatory body which could affect the Buyer or its business.
5		
5.1	How many employees are employed by Operose Health? How many of those employees are involved in the provision of services by Operose Health (and AT Medics)?	As at 30-Sep-23: ▪ FTE = 1,219.9 ▪ Headcount = 1,574 All employees are involved in the provision of services by Operose Health (and AT Medics).
5.2	Is Operose Health contracting with any other entities which supply staff needed to deliver the APMS contract, and if so, please confirm details of any such contracting arrangements.	No sub-contracting arrangements are in place for core APMS contracts.
5.3	Will there be any change to the staff working with Operose Health , or AT Medics? Confirm if TUPE will apply to the transfer.	As the Buyer will acquire 100% of the shares in Operose Health and a 1% minority interest in AT Medics Holdings LLP, and Operose Health and AT Medics Limited will continue to operate as previously, there is no change of employer and TUPE is not, therefore, engaged. At the point of the transaction, there are no changes proposed to the staff working within Operose Health or AT Medics.
5.4	Does the Buyer run any equivalent healthcare businesses, and if so, please provide any information which could be relevant to understanding their workforce model, including: a. Stability of the workforce, b. Number of employed to temporary staff, c. Temporary staff and how the Buyer anticipates they will be affected.	Yes. HCRG Care Group operates 21 primary care and urgent care services alongside a wide range of community services for adults and children for the NHS and Local Authorities. As a result, HCRG Care Services Limited is licenced and monitored by NHS England under the 'Hard to Replace' provider regime. HCRG Care Group employs more than 5,000 people in the delivery of these services with the majority of staff employed on a substantive basis. Colleagues are employed on market-competitive terms, and receive a full range of benefits. The organisation has been shortlisted or won several awards during the last 10

187804214.1

#	Question	Buyer Response
		months for its employee support and benefit programmes, including winning "Best Cost of Living Response" at the CIPP Annual Excellence Awards and has been shortlisted for Best Employer for Diversity and Inclusion at the Nursing Times Awards for its comprehensive menopause support programme and policies. The organisation is also able to definitively demonstrate that it is an attractive employer within the sector, despite sector-wide shortages of professionals and has welcomed an additional 50WTE colleagues to its team since 1 April 2023. HCRG Care Group closely monitors key workforce metrics ensuring visibility at every level of the business from floor to board. Turnover, sickness and other key metrics are comparable with the broader health and care sector. In addition to a stable workforce model, the organisation has been commended for its ability to deliver improved health outcomes and high quality services in partnership with commissioners over many years. For example: • Following being awarded a contract to create and run Wiltshire-focused children's services in 2017, Wiltshire Council have renewed for another five years until 2029 • Essex County Council have extended their contract to deliver improved outcomes for families for a further 3 years • Coventry City Council and Warwickshire County Council have appointed us to deliver the largest sexual health contract across their areas, following the successful transformation and delivery over several years in Teesside, Greater Manchester and Lincolnshire. 97% of the organisation's services rated by CQC hold "good" or "outstanding"

187804214.1

#	Question	Buyer Response
		ratings, higher than the industry average, and reflecting the organisation's track record of transforming and improving the services it takes on.
6		
6.1	Details on the financial position for the past three years of the Buyer and the Group Companies, including in particular: - Income and Expenditure, - Profit and Loss; - Debts; - Information held pertaining to bankruptcy and/or liquidation which could be deemed relevant.	Please see the attached information relating to HCRG Care Group's financial performance over the last three years demonstrating a robust and sustainable financial approach to the delivery of primary and community services (*6-1 Financial Position.pdf).* As a non-trading holding company established within the last year to hold the shares in health and care services businesses, T20 Osprey Midco Limited has not yet published audited accounts. The use of the holding company increases resilience and reduces risks and has been and continues to be subject to oversight by NHS England within its Hard to Replace oversight framework. There are no concerns raised via the Hard to Replace oversight framework.
6.2 187804214.1	Details of the impact any failure of the Buyer or any would have on the ability of AT Medics Ltd to continue to deliver the APMS contract.	It is intended that Operose Health and AT Medics will continue to operate as a financially sustainable standalone services focused on delivery of primary care services, and therefore there would be no impact of the failure of the Buyer (or any other Group company) on the continuing ability of Operose Health to continue delivery of the APMS contracts. In addition, HCRG Care Group is scrutinised closely and regularly by NHS England as a result of its designation as a Hard to Replace Provider and commissioners can therefore be assured by the significant oversight of the Group's affairs and its strong financial performance, given the lack of concerns raised through this process to date.

2 RESPONSE RECEIVED 06.03.2024

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
1			
1.1	Confirmation of the company(s) to whom Centene proposes to transfer its Operose Health shares (**the Buyer**), including the Company House details for a UK-based entity, or equivalent if the company is based elsewhere.	n/a	**The Buyer** is a special purpose vehicle holding company as part of our health and care group, through the entity T20 Osprey Midco Limited (registered with Companies House in England and Wales number 15294854 at 33 Soho Square, London, W1D 3QU). The largest company within the **Buyer's Group** (T20 Pioneer Midco Limited and its subsidiary companies) and that leading the process with Operose Health Limited ('*Operose Health*') is HCRG Care Group, an NHS England accredited and licenced "Hard to Replace" provider of community services which has been supplying clinical services to the NHS and Local Authorities since 2006. Other group companies also contract extensively with the NHS to deliver on-framework staffing and care services.
1.2	Brief details of the Buyer's branches, agencies and places of business in the UK and elsewhere, and the nature of its businesses.	Please confirm if this is correct – does T20 Osprey Midco Limited contract with the NHS, Local Authorities and others for the provision of health and care services? We understand that this is a special purpose vehicle and so are not aware of any contracts currently held by T20 Osprey Midco (the Buyer).	The Buyer's Group (as defined above) is registered, managed, operating and paying tax in the UK. The Buyer's Group primarily contracts with the NHS, Local Authorities and others through its subsidiary companies for the provision of health and care services.

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		Please confirm if this is correct – T20 Osprey Midco is the Buyer. This response appears to refer to T20 Pioneer Midco Limited as the Buyer. Please confirm who "the Group" is in the context of this response.	**The Buyer's Group** (as defined above) currently operates two main business lines: **HCRG Care Group** – The provision of health and care services to the NHS and Local Authorities. This business line is the largest, and is the entity leading the transaction with Operose Health. **HCRG Workforce Solutions** – The provision of staffing services and workforce solutions (including the provision of complex care support in patients' homes) to NHS Trusts and Local Authorities. We enclose a map (1-2 Service Location Map.pdf) detailing the locations of services operated by HCRG Care Group.
1.3	A full structure chart showing the Buyer and all of its holding companies and its subsidiaries (each a "Group Company").	We note that the Buyer (as defined above - T20 Osprey Midco Limited) is not included in this structure chart. Please provide an updated structure chart including the Buyer.	A structure chart is enclosed (1-3 Group Structure Chart.pdf), updated to reflect the creation of the T20 Osprey Midco Limited SPV. **The Buyer's Group** (as defined above) and its holding companies are registered, managed and pays tax in the UK.
1.4	Copies of the Buyer's register of members, register of directors and register of persons with significant control.	We note that documents labelled "1-4" relate to T20 Pioneer Holdings Limited, rather than the Buyer. Please provide this information for the Buyer, i.e. T20 Osprey Midco Limited. Please confirm what the difference between T20 Osprey Midco Limited B1 and B2 class ordinary shares is. If there are differences in share	An updated copy of the register of members, register of directors and register of persons with significant control is enclosed (1-4 PSC Register.pdf, 1-4 Register of Directors.pdf, 1-4 Register of members.pdf). The differing classes of shares attract the same rights.

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		classes for any other company that may have a director or indirect ownership of Operose (should the Change of Control Request be granted) we also need to know what they are so we can understand control of T20 Osprey Midco Limited.	
1.5	Confirmation of which Group Companies will have membership interests in Operose Health, and the proposed percentage of shares being transferred.	As above please provide information to determine ultimate ownership of the Buyer.	100% of the shares of Operose Health Limited are to be held by T20 Osprey Midco alongside a 1% minority interest in AT Medics Holdings LLP, the holding company of AT Medics Limited.
1.6	Confirmation of the ultimate beneficial owners of the Buyer (i.e., the ultimate owners of any of the Buyer's holding companies).	As above, we note that the structure chart does not show the Buyer, and so we cannot infer the ultimate beneficial owner from this. Please provide confirmation of the ultimate beneficial owner.	Amended structure chart provided at 1.3 provides this detail (1-3 Group Structure Chart.pdf).
2			
2.1	A brief description of the business of each Group Company in the UK including a summary of contracts for NHS services held by each such Group Company. In particular, detail any existing or prior experience of any Group Company in running GP practices, including: a. Number of contracts held, b. Length of the contracts, and c. Commissioning organisations.	We note that: 1. "HCRG Care Group" is referenced in this response – which company or companies within the group structure is being referenced? 2. Only one of the Group Companies is dealt with in this response. Please provide information as requested in relation to all of the Group Companies. Please provide evidence of the CQC ratings of all of the regulated healthcare services provided	HCRG Care Group (HCRG Care Group Holdings Limited and its subsidiaries) is one of the largest independent providers of primary and community services to the NHS and Local Authorities and has been part of the health and care system in England since 2006. The company holds more than 50 contracts with the NHS and local authorities to deliver community health and care services and employs more than 5,000 people delivering services ranging from District Nursing to Community Hospital Wards to Sexual Health and Health Visiting and School Nursing

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		by each Group Company. Please confirm why there are 13 primary and urgent care services listed in this response, but the Primary Care Induction document also contained in 2.1 shows on slide 15 that t~~hey~~ HCRG operate 6 GP practices and 4 urgent care services. We also note that slide 4 of the same presentation notes that HCRG runs 21 primary care services across the country. And the response to question 3.1 states that "HCRG Care Group presently operates 7 APMS primary and urgent care services for the NHS". Please confirm exactly how many primary care contracts and urgent care contracts companies in the HRCG group hold. Where any contracts are due to expire shortly, please confirm the reason why these are not being renewed or extended. *Buyer: Where differences in numbers appear within different documents, this relates to the difference between locations / services and contracts; we apologise that this is unclear. The business operates 7 stand-alone APMS contracts but also delivers other primary care services (urgent care services, prisons primary care services) via other contracts, leading to a total 21 'primary care' locations from where primary care is delivered.* *We are not aware of any primary care contracts*	services. The company has operated primary care services for more than a decade, predominantly holding APMS contracts within this business area and successfully working closely with commissioners to transform or improve challenged services. All primary care services operated by the organisation are rated "Good" or "Outstanding" by the CQC. a. Entities within the HCRG Care Group currently hold contracts to operate 13 primary and urgent care services. b. Contract lengths vary from between 2 years and 13 years in total with an earliest start date of 1 May 2011. Of 10 contracts held, 6 have expired already or are due to expire on 31 March 2023 but have verbal or written intent to extend, with paperwork awaited. The remaining 4 are due to end on 31 March 2026. c. The services are commissioned by Birmingham and Solihull ICB, Buckinghamshire Oxfordshire and Berkshire West ICB, Coventry and Warwickshire ICB, and Mid and South Essex ICB. HCRG Workforce Solutions (HCRG Workforce Solutions Limited) provides staffing and

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		which are due to expire shortly. Where contracts are due to expire for other types of services, these are the natural end of contracts which were re-procured through competitive tender processes.	workforce solutions through frameworks and master vend contracts to the NHS and Local Authorities. The company does not hold any contracts for the provision of GP practice services but does have extensive experience in the provision of locum staffing both in GP practices and the wider health and care service.
		Please confirm: - Which company is referenced when "Operose Health Management" is described? - Which companies make up "HCRG Care Group" for this purpose, and which primary care services will transfer (all HCRG primary care services or only some)? What will be the impact on AT Medics of this change, and where will the HCRG primary care services sit in the new T20 Osprey MidCo structure?	It is intended, subject to confirmation by the management team at Operose Health Limited of sufficient capacity, that within 12 months of the transaction completing all of HCRG Care Group's current APMS primary care services will transfer to management by Operose Health. The APMS contracts are currently held by HCRG Care Services Limited. The impact of the transfer would be less than but similar too the acquisition of a new contract by Operose Health / AT Medics. This is a process both HCRG Care Group and Operose Health are familiar and experienced with and – therefore – ultimately, expect there to be no negative impact on either companies' services to patients. The transfer would be subject, of course, to negotiation with current commissioners of these services and a detailed planning process which would determine where the primary care

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			services would sit within the legal structure of Operose Health Limited.
		Please confirm the relevance of this to the Buyer (T20 Osprey Midco Limited) and the Buyer's governance and values – is the same induction pack to be used for new starters at the Buyer?	The attached document (2-1 Primary Care Induction.pdf) is taken from HCRG Care Group's new Colleague Induction and provides details of the culture, values, successes and structure of HCRG Care Group's primary care operation. This pack has been provided for commissioners' information only, to provide assurance of HCRG Care Group's approach, attitude and experience and we apologise for any confusion its inclusion may have caused.
2.2	Names of any UK company or businesses which were formerly a Group Company but have been wound up or sold within the last three years.	Please confirm that this is an exhaustive list and no further wind down or sale proceedings are planned.	During 2020, HCRG Care Group (then known as Virgin Care) undertook a project to simplify its corporate structure. As part of this, legal entities which no longer held contracts (where these had been transferred to another Group legal entity, ended or transferred to another provider) were wound down. There have been no winding up proceedings initiated by third parties. The entities which were wound down as part of this exercise were: ▪ Virgin Care Corporate Services Limited ▪ VH Doctors Ltd ▪ Virgin Care Hampshire Health LLP ▪ Virgin Care Leeds LLP

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			▪ Virgin Care Chelmsford LLP We can confirm that this list is exhaustive.
2.3	A brief description of any services provided by any Group Company to Operose Health or AT Medics Ltd and whether any such services will be affected by the change in control.	Please confirm any services planned to be provided by HRCG companies to Operose companies post-completion.	The **Buyer** and HCRG Care Group does not provide any services to Operose Health or AT Medics Ltd. Following the completion of the transaction, we will look for areas where companies in the **Buyer's Group** may be able to work together more closely. For example, HCRG Workforce Solutions is ideally placed to provide staffing services as it does for other providers of similar services and Sugarman Occupational Health, as one of the UK's leading providers of Occupational Health services, is ideally placed to provide this service to Operose Health staff.
2.4	Confirmation of whether any data or other assets currently held by Operose Health or AT Medics Ltd will be transferred to any Group Company and in particular any Group Company outside the UK.	Please confirm any assets or data planned to be transferred between HRCG and Operose companies post-completion.	There is no transfer of data outside the UK. We re-assert that Operose Health and AT Medics will operate in line with current status quo following completion and, therefore, there is no planned transfer of assets or data, within or outside of the UK. With regard to data, the identification of areas where the companies work more closely together may in the future require the transfer of data. In these circumstances, the Buyer's Group is well aware of its responsibilities for maintaining the safety and security of data and

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			for complying with data protection legislation and all companies within the Buyer's Group have a strong track record of compliance with these rules.
2.5	Confirmation that no changes in the governance structure or management of Operose Health, or AT Medics Ltd, including of its directors, are proposed.	Please confirm which directors will change, and if any other governance changes or combining of HCRG/Operose governance/ services are anticipated and what their effect will be on AT Medics. Please provide details of such proposals. Please also confirm what entity is being referenced as "Operose Health Management Team".	There are no proposed changes to the governance structure or management of Operose Health or AT Medics Ltd as part of the transaction. There will be necessary changes to directors appointed by the current ultimate controlling party Centene Corporation. This will result in the removal of those directors appointed by Centene Corporation: Tricia Dinkelman Beau Scott Gaverick Following the completion of Change of Control, the **Buyer's Group** will appoint replacement directors. As Operose Health joins an established and experienced group of health and care organisations with governance arrangements praised by the CQC, it is possible that opportunities to combine the governance functions of the organisations may be identified in the future. Any changes would, of course, be carefully managed to maintain safety and the management team of Operose Health Limited would continue to engage with commissioners regarding any changes as they would today.

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			(Added in March 2024) In addition to the information originally provided (now clarified), the Chief Executive Liz Perry has announced her intention to resign following the completion of the Change of Control process. The "GP Directors" who previously led the AT Medics business prior to its acquisition by Operose Health have also chosen to leave the business, and are currently working their notice period. Samantha Kane, formerly Chief People Officer at HCRG Care Group, will take up the role of Interim Chief Executive Officer on 1 March and will work closely with Liz until she leaves the organisation. Professor Nick Harding will continue in his role as Chief Medical Officer, providing excellent and consistent clinical leadership, and there will be no negative impact on the provision of services, nor Governance structures.
3			
3.1	Details of, and copies of all documents relating to, any licences, consents, registrations, approvals, permits and exemptions (whether public or private) required or obtained by the Buyer in connection with the operation of its business, insofar as it is relevant to the AT Medics Ltd contract("Consents").	Please provide these documents which have not been made available. In particular, we assume that existing Operose registrations will continue, and Buyer will not need any additional registrations, but this should be confirmed. Any registrations to be acquired by Buyer (T20 Osprey Midco) should be confirmed.	Copies of various licences, consents, registrations, approvals, permits and exemptions are attached.

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		Please explain this response in more detail, as per our additional question in 2.1 above.	While Operose Health and AT Medics will continue to operate, HCRG Care Group presently operates 7 APMS primary and urgent care services for the NHS and has significant experience of governing and delivering these types of services.
3.2	Will any of the Consents be affected by the proposed change of control? If yes, please provide details.	Please confirm if your answer is changed in view of the additional information requested.	We have reviewed, and our answer remains: No.
3.3	Details of, and copies of all documents relating to, any investigation, enquiry, prosecution or other enforcement proceedings or process by any governmental, administrative, regulatory or other body or organisation in relation to or affecting the Buyer or its business and details of any facts or circumstances that may give rise to any such matters.	Please confirm if your answer is changed in view of the additional information requested.	We have reviewed and our answer remains: None.
3.4	Details of any matter or circumstance that constitutes, or may constitute, a contravention or breach by the Buyer (or any of its officers, agents or employees) of the provisions of any Consent, statute, order or regulation made in the UK, and copies of all related documents.	Please confirm if your answer is changed in view of the additional information requested.	We have reviewed and our answer remains: None
3.5	Details of, and copies of all documents relating to, any anti- corruption policies and procedures that have been implemented by the Buyer to ensure compliance with the Bribery Act 2010.	Please confirm if this will apply to the Buyer, as currently this is unclear.	We enclose a copy of the relevant policy (3-5 Anti Bribery and Anti Fraud Policy.pdf), which we can confirm applies to the directors of T20 Osprey Midco Limited.

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			As an SPV, this company does not have any other employees. The OHL policy remains in place for this company and its subsidiaries.
		Please confirm if this answer is in relation to the Buyer as defined (T20 Osprey Midco Limited) or another entity.	The companies within the **Buyer's Group** regularly demonstrate their governance and compliance with these regulations as part of tenders operated by the NHS and local authorities.
3.6	Details of the Buyer's procedures for ensuring and monitoring compliance with applicable data protection legislation.	Please respond to this question by reference to the Buyer. The response as currently drafted is in relation to HCRG Care Group (note that it is unclear which legal entity this refers to).	T20 Osprey Midco Limited is a non-trading holding entity created as a special purpose vehicle for the acquisition of Operose Health Limited. As such, the company does not hold or process any information. The Buyer's Group, however, has substantial experience: HCRG Care Group (HCRG Care Group Holdings Ltd and its subsiduaries) is an experienced provider of health and care services and has a comprehensive set of procedures and policies to ensure its compliance with data protection legislation. The organisation has been awarded "Substantial Assurance" – the highest possible accreditation level – for handling information and data security against the NHS Data Protection and Security Toolkit.

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			The organisation employs a dedicated Information Security team within its IT function as well as contracting with external experts to meet, and exceed, the relevant standards. HCRG Workforce Solutions (HCRG Workforce Solutions Limited) is an experienced provider of staffing and workforce solutions and has a comprehensive set of procedures and policies to ensure its compliance with data protection legislation. The organisation has completed Cyber Essentials Plus accreditation, and additionally holds ISO27001 accreditation. The organisation employs appropriate expertise within its IT function, as well as contracting with external experts, to meet and exceed the relevant standards.
4			
4.1	Details of any ongoing or threatened litigation, arbitration, mediation or similar proceedings or disputes involving or otherwise affecting the Buyer or its business which may be reasonably considered to be material in relation to us.	Please confirm if this answer is provided in relation to the Buyer, or another entity? Please also answer this question in relation to all other entities in the group structure chart provided, in order to provide the ICB with the required information given that the Buyer is a new company.	The **Buyer's Group** has no ongoing or threatened litigation, arbitration, medication or similar proceedings or disputes. We have clarified that this answer applies to the Group as a whole.

187804214.1

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		n/a	HCRG Care Group, as a provider of health and care services, has from time to time ongoing or threatened medical claims. All claims are subject to rigorous internal investigation by our clinical quality, legal, governance and Customer Experience teams to establish the circumstances of each claim and lessons learned are escalated and disseminated within the organisation to avoid recurrence.
		Is this the case in relation to the Buyer also? Does the Buyer hold relevant insurance policies?	Each claim is covered by insurance policies held by the various entities within the **Buyer's Group** and none of these cases would be considered material in relation to this transaction. The Buyer is covered by appropriate insurance with regards to its activities.
4.2	Details of, and copies of all documents relating to, any outstanding or pending judgment, order, finding or decision of any court or regulatory body affecting the Buyer or its business.	Please confirm that this answer is in relation to the Buyer (T20 Osprey Midco Limited).	There are no outstanding or pending judgements, orders, findings or decisions of any court or regulatory body which could affect the Buyer or its business. This answer applies to all companies within the Buyer's Group.
5			
5.1	How many employees are employed by Operose Health? How many of those employees are involved in the provision of services by Operose Health (and AT Medics)?	n/a	As at 30-Sep-23: ▪ FTE = 1,219.9 ▪ Headcount = 1,574 All employees are involved in the provision of

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			services by Operose Health (and AT Medics).
5.2	Is Operose Health contracting with any other entities which supply staff needed to deliver the APMS contract, and if so, please confirm details of any such contracting arrangements.	Please confirm what is meant by "core APMS contracts". Do any other organisations supply staff and will they continue to?	No sub-contracting arrangements are in place for APMS contracts. Like all providers, Operose Health Limited works with a range of agencies and independent contractors for the supply of staffing and it will continue to do so.
5.3	Will there be any change to the staff working with Operose Health , or AT Medics? Confirm if TUPE will apply to the transfer.	n/a	As the Buyer will acquire 100% of the shares in Operose Health and a 1% minority interest in AT Medics Holdings LLP, and Operose Health and AT Medics Limited will continue to operate as previously, there is no change of employer and TUPE is not, therefore, engaged. (March 2024) Given the extended length of the due diligence process, proposed to last until at least August 2024 before a decision can be made, it is prudent to note that any business will, over the course of almost a year, experience changes to staffing both as a result of natural attrition and as part of normal business reviews to ensure optimal performance.
		Does the Buyer currently anticipate making any changes to the staff working within Operose Health or AT Medics (either at the time of transaction or afterwards)?	As part of the transaction, there are no changes proposed to the staff working within Operose Health or AT Medics and there is no plans to make changes to the staffing of services.

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
5.4	Does the Buyer run any equivalent healthcare businesses, and it so, please provide any information which could be relevant to understanding their workforce model, including: a. Stability of the workforce, b. Number of employed to temporary staff, c. Temporary staff and how the Buyer anticipates they will be affected.	We note that this response does not refer to any equivalent healthcare businesses run by the **Buyer** (T20 Osprey Midco Limited) and so understand that the answer in relation to the Buyer would be no, they do not run any equivalent healthcare businesses. Please confirm. The information in relation to HCRG Care Group is useful, please specify the legal entity/ "organisaton" being described in this response. Please also provide information about whether the HCRG Care Group's use of physician associates and whether it is intended to replicate HCRG Care Group staffing models involving physician associates in the Operose Health business.	The Buyer is a special purpose vehicle set up for the acquisition of Operose Health Limited. The **Buyer's Group**, however, does run equivalent healthcare businesses. HCRG Care Group (HCRG Care Holdings Limited and its subsidiaries) operates 7 APMS contracts and other primary care services alongside a wide range of community services for adults and children for the NHS and Local Authorities. As a result, HCRG Care Services Limited is licensed and monitored by England under the 'Hard to Replace' provider regime. HCRG Care Group employs more than 5,000 people in the delivery of these services with the majority of staff employed on a substantive basis. Colleagues are employed on market-competitive terms, and receive a full range of benefits. The organisation has been shortlisted or won several awards during the last 10 months for its employee support and benefit programmes, including winning "Best Cost of Living Response" at the CIPP Annual Excellence Awards and has been shortlisted for Best Employer for Diversity and Inclusion at the Nursing Times Awards for its comprehensive menopause support programme and policies. The organisation is also able to definitively demonstrate that it is an attractive employer

			within the sector, despite sector-wide shortages of professionals and has welcomed an additional 50WTE colleagues to its team since 1 April 2023. HCRG Care Group closely monitors key workforce metrics ensuring visibility at every level of the business from floor to board. Turnover, sickness and other key metrics are comparable with the broader health and care sector. In addition to a stable workforce model, the organisation has been commended for its ability to deliver improved health outcomes and high quality services in partnership with commissioners over many years. For example: • Following being awarded a contract to create and run Wiltshire-focused children's services in 2017, Wiltshire Council have renewed for another five years until 2029 • Essex County Council have extended their contract to deliver improved outcomes for families for a further 3 years • Coventry City Council and Warwickshire County Council have appointed us to deliver the largest sexual health contract across their areas, following the successful transformation and delivery over several years in Teesside, Greater Manchester and Lincolnshire.

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
			97% of the organisation's services rated by CQC hold "good" or "outstanding" ratings, higher than the industry average, and reflecting the organisation's track record of transforming and improving the services it takes on. There is no intention to change or merge the operating models of HCRG Care Group and Operose Health, including the use of PA roles. As above, both organisations' services are well reviewed by regulators and we intend to continue to provide high quality care within both organisations.
6			
6.1	Details on the financial position for the past three years of the Buyer and the Group Companies, including in particular: - Income and Expenditure, - Profit and Loss; - Debts; - Information held pertaining to bankruptcy and/or liquidation which could be deemed relevant.	As above, the information provided does not relate to the Buyer – please provide as much financial information as possible as requested in relation to the Buyer, or note the reason this cannot be provided (we note that you have stated that there are no audited accounts). Please, if this is not information which is available for T20 Osprey Midco Limited, provide the requested information in relation to the companies further up the structure (T20 Pioneer Midco Limited, T20 Pioneer Holdings Limited, Twenty20 Capital Investments Limited, IJMH Limited and Twenty 20 Capital Limited).	We have provided accounts for the companies: Twenty20 Capital Investments Limited, T20 Pioneer Holdings Limited and T20 Pioneer Midco Limited. As a non-trading holding company established to acquire the Operose Health business, T20 Osprey Midco Limited has not yet published audited accounts.
6.2	Details of the impact any failure of the Buyer or any would have on the ability of AT Medics Ltd to continue to deliver the APMS contract.	Please provide more detail about the financial separation between the Buyer and Operose Health and AT Medics.	It is intended that Operose Health and AT Medics will continue to operate as a financially sustainable standalone services focused on

#	Question	Further Question/ clarification required – January 2024	Clarified answer – February 2024
		Buyer: We are unclear on how to best respond to this request. Operose Health and AT Medics are financially sustainable businesses, and we intend for this to continue. While we have provided various assurances regarding other Group companies, the failure of any Group company would not impact on the ability to deliver the APMS contracts as the business will not be dependent on financial support from the Group.	delivery of primary care services, and therefore there would be no impact of the failure of the Buyer (or any other Group company) on the continuing ability of Operose Health to continue delivery of the APMS contracts. In addition, HCRG Care Group is scrutinised closely and regularly by NHS England as a result of its designation as a Hard to Replace Provider and commissioners can therefore be assured by the significant oversight of the Group's affairs and its strong financial performance, given the lack of concerns raised through this process to date.

187804214.1

3 **RESPONSE RECEIVED 25.04.2024**

1	Question
1	We understand from Stephen Collier's email dated 15 March 2024 that a purchase agreement was entered into by MH Services International (UK) Limited and T20 Osprey Midco Limited. As a result, from 28 December 2023 T20 Osprey Midco Limited became the legal owner of Operose Health Limited. As a result, a change of control of AT Medics Limited occurred on that date. That change of control was the subject of AT Medics Limited's request for prior authorisation to undergo the change of control dated 30 November 2023 and of the ongoing due diligence exercise. Please confirm on what basis did AT Medics Limited determine not to inform us or the ICBs of this at the time of the change of control or at any time until 15 March 2024, despite the ongoing due diligence process (including further queries raised by us on 19 February 2024 and responses provided to us on 6 March 2024)? Please also confirm on what basis did no other company with ownership/control of AT Medics Limited (including but not limited to Operose Health Limited and T20 Osprey Midco Limited) or part of the same overall group (including but limited to the HCRG Group) determine not to inform us or the ICBs of this at the time of the change of control or at any time until 15 March 2024, despite [regular] meetings/communications between representatives of such companies and representatives of NHS England and the ICBs occurring between 28 December 2023 and 15 March 2024?
1	The background is that as negotiations with the seller, Centene, progressed it became apparent that the seller was not prepared to enter into a contract that was conditional on change of control approval. Rather Centene required a rapid and full completion, by the end of December 2023. When this occurred, we viewed it as a change of ultimate ownership rather than operational control. For that reason, and to preserve the status quo, we did not action any associated tasks or business activity connected with a change of control, such as for example making director appointments etc.. We left operational control with the Operose management team, under the leadership of Liz Perry. However, when Liz indicated that she intended to leave the company we recognised that it was no longer appropriate to continue on this basis. We therefore made the notification of 15 March 2024. We now accept that earlier disclosure would have been appropriate and apologise for the frustration and disappointment our actions may have caused. As a proven and experienced provider of health and care services, including APMS delivery, we hoped that due diligence would conclude at pace and we could move forward, working together to improve outcomes, experience and access for patients, as our track record can evidence us doing so historically. We fundamentally believe in UK ownership for UK NHS services and have already started to lead improvements including increasing the number of employed GPs in our practices. In services nothing has changed, the practices are still led by the same leaders and patients are cared for by the same clinicians and medical staff. Our intention has always been to respect the change of control process and our commitment to this has been demonstrated through our active co-operation and engagement.
2	**Question**
2	Is there any change to the due diligence answers provided to date required now that the change has taken effect? For example, you note in the responses provided in March that certain actions would be undertaken *"following the completion of the change in control".* Please confirm if you are aware of any updates to the position set out in your previous responses (excluding the fact that the change in control has happened).
2	We can confirm that there has been no change to the due diligence answers provided to date. There are no updates to the position set out in our previous responses.
3	**Question**

3	Has Operose Health Limited, AT Medics Limited or AT Medics Holdings LLP directly or indirectly borrowed or provided collateral for any of the wider company group's borrowings? If so, please confirm the level of such debt held by any of these companies. We ask this question as we note that the Companies House documents for AT Medics Limited and AT Medics Holdings LLP, show that a charge was registered against both on 13 March 2024 for the benefit of HSBC bank. We note from a search at Companies House that AT Medics Limited and AT Medics Holdings LLP, each have charges registered against them on 13 March 2024 for the benefit of HSBC bank. d. Please provide details of any of the following given by or to Operose Health Limited: • debentures, mortgages, charges, or other security together with details of the secured obligations to which these and any other security relate; and • guarantees, indemnities, bonds, comfort letters or other sureties or assurances together with details of the secured obligations (including value or potential value) to which these and any other sureties or assurances relate. e. Please provide details of any of the following given by a third party (including AT Medics Limited and AT Medics Holdings LLP) in respect of any of Operose Health Limited's obligations: • debentures, mortgages, charges, or other security together with details of the secured obligations to which these and any other security relate; and • guarantees, indemnities, bonds, comfort letters or other sureties or assurances together with details of the secured obligations (including value or potential value) to which these and any other sureties or assurances relate.
3	T20 Osprey Midco Ltd, the parent company of Operose Health Ltd, and its sister company HCRG Care Group Holdings Ltd, refinanced existing group debt with HSBC UK Bank in March 2024. All material subsidiaries of T20 Osprey Midco Ltd. and HCRG Care Group Holdings Ltd. are Obligors under the borrowing arrangement, and therefore have debentures in relation to HSBC UK Bank. This includes Operose Health Limited, AT Medics Limited and AT Medics Holdings LLP. All debentures are available on Companies House. HCRG Care Services Ltd, the main trading subsidiary of HCRG Care Group Holdings Ltd, was designated as a 'Hard to Replace Provider' by NHS England in 2023. As a result of this, HCRG Care Group holds quarterly meetings with the NHS England Independent Sector Provider Monitoring team and provides a quarterly financial template that includes financial performance of the group, debts of the group and financial covenants. NHS England have confirmed that Operose Health Ltd and its subsidiaries including AT Medics Limited and AT Medics Holdings LLP will form part of the NHS England monitoring process going forward. The companies will report on a quarterly basis with the HCRG Care Group from 1 April 2024.
4	**Question**
4	We note that the licences requested have still not been provided. Please could these be provided? Operose, at 3.1 of the supplementary response, notes that *"copies of various licences, consents, registrations, approvals, permits and exemptions are attached"*, however we cannot see that such are attached to the email which was sent.
4	There are no additional licences required as a result of the transaction, the reference to appendices was an oversight on the previous response.

5	**Question**
5	We note that the confirmation statement for Operose Health Limited was due to be filed at Companies House by 4 March 2024 and remains overdue. Please confirm the reasons for this, when it will be filed, and any details to be included within the statement that are in addition or contrary to information currently available on Companies House and/or that you have provided to us previously?
5	Operose Health Limited's confirmation statement was filed on 19th April 2024. All details can be seen on Companies House.
6	**Question**
6	In an email of 15 March 2024, Stephen Collier stated, relation to the sale agreement between MH Services International (UK) Limited and T20 Osprey Midco Limited, *"The sale is partly conditional upon the ICBs' consent to the change, in that the ultimate purchase price is determined by whether approval is granted."* Please provide full details about how the commissioners' decisions to approve or refuse authorisation to the change of control affect the purchase price to be paid under the sale agreement?
6	As you will appreciate, there are comprehensive confidentiality restrictions in place within the sale and purchase agreement which prohibit us from being able to provide any more detail in respect of the consideration mechanics and values, other than allowing us to confirm that there was an element of conditionality in respect of the purchase price related to the change of control process.
7	**Question**
7	Please confirm whether the properties from which Operose operates its services are freehold or leasehold. If leasehold, please confirm details of: 3. the landlord and whether they are a party directly or indirectly connected to Operose 4. the term of the lease 5. the rent payable under the lease 6. the rent reviews applicable under the lease
7	See attached 'Operational Estates' excel which addresses the full question.
8	**Question**
8	Please provide details of what (if any) applications or notifications have been made pursuant to the National Security and Investment Act 2021 or Competition Act 1998/Enterprise Act 2002 in respect of the acquisition of Operose.
8	No applications or notifications have been made pursuant to the National Security and Investment Act 2021 or Competition Act 1998/Enterprise Act 2002 in respect of the acquisition of Operose.

APPENDIX 4 LETTER NOTIFICATION

Frances O'Callaghan
NHS North Central London ICB
Laycock PDC
Laycock Street
London
N1 1TH

30th November 2023

Dear Frances

CONSENT FOR CHANGE OF CONTROL

Further to our recent correspondence, we are now writing to you to formally to seek your consent to a change of control in accordance with clause 54.3 of the APMS contracts listed in **Annex 1** to this letter ("**APMS Contracts**").

The change of control arises as a result of a change in ownership of Operose Health Limited ("**OHL**"). OHL is currently wholly owned by MH Services International (UK) Limited, however it is intended that the ownership of OHL will transfer to T20 Osprey Midco Limited ("HCRG Care Group"). The HCRG Care Group is a UK based company, and one of the largest independent providers of NHS-funded primary and community services operating across England and Wales.

We have set out more details of the current and proposed ownership structure to ensure you have the complete information, in **Annex 2**.

OHL is the holding company of AT Medics Holdings LLP which in turn is the holding company of AT Medics Limited, the contractor under the APMS Contracts. This makes OHL a "Holding Company" of AT Medics Limited under clause 54.3 of the APMS Contracts.

Therefore, we believe the change of ownership of OHL amounts to a Change of Control envisaged by clause 54.3.

The change in ownership reflects Operose Health Group's current owner, Centene Corporation, continued execution of its value creation efforts as the company refocuses its portfolio on core lines of business.

Benefits of new ownership for patients and the NHS

- The new ownership brings together two highly experienced care providers with a shared mission to improve patient outcomes and experience across primary and community care.
- There will be no changes to frontline services or clinical leadership in your area and with HCRG Care Group's full support and backing, our practices will continue to serve their communities with high quality NHS primary care, clinically led and powered by sector-leading technology.
- Our core commitments also remain unchanged: to see patients as quickly as possible; improve quality; recruit and retain dedicated staff and; use social value activity to have a wider positive impact on the populations we care for.
- New ownership opens up significant opportunities, creating a single UK-owned organisation with greater expertise, scale and resilience to help deliver the NHS's priorities for primary and community care, including faster access, better integration, eradicating health inequalities and the use of digital, tech and data.
- HCRG Care Group is an experienced operator and partner for OHL. It operates 21 primary care and urgent care services alongside more than 400 community services for adults and children for the NHS and Local Authorities, employing more than 5,000 staff in the delivery of services and with a strong track record of delivery on behalf of the NHS. All of HCRG Care Group's CQC ratings are "Good" or "Outstanding", aligning with OHL's own strong track record.
- HCRG Care Group brings with it access to investment and the support of one of the UK's top 10 recruitment and workforce solutions groups, as well as a track record of a 'healthcare first' approach, minimising costs and maximising efficiency of support services.

Engagement

- We have been working closely with NHS colleagues to make sure all parties have clarity on relevant change of control contractual obligations, processes and timelines, including appropriate public engagement.
- We will continue to provide reassurance to our patients, staff and stakeholders that this change of control will not impact on our continued delivery of, and commitment to, high-quality patient care in our local surgeries.

What are the implications from a procurement law perspective?

As AT Medics Ltd will continue to hold the APMS Contracts, there should be no concerns for the commissioners in relation to procurement law compliance, as the same contractor will be holding the APMS Contracts.

What are the implications in relation to service delivery?

AT Medics Ltd will continue to be responsible for providing primary care services under the APMS Contracts, and there are no intentions to change the personnel involved in providing the primary medical care services. The 6 GP founders of AT Medics Limited will also remain in their current regional roles within the company. On that basis, we do not intend to make changes in relation to service delivery. We believe our collaboration with HCRG Care Group will drive even better clinical outcomes and broaden access for patients.

Do the APMS contracts need to be novated?

No – the APMS Contracts between AT Medics Ltd and the commissioners will remain intact, and no novation is required, as AT Medics Ltd remain liable for its obligations under the APMS Contracts. The change of control does not affect the APMS Contracts, except for the fact that your consent is required prior to such change of control taking place in accordance with clause 54.3.

What do I need to do to agree to the change of control?

*Please review, sign and return the enclosed form in **Annex 3**, at your earliest convenience.*

What if I have any further questions or require more information?

Should you have any questions, please contact me via liz.perry@operosehealth.co.uk.

Yours sincerely

Liz Perry
CEO | Operose Health

CC Vanessa Piper - Assistant Director of Primary Care Contract and Commissioning NCL ICB

Annex 1

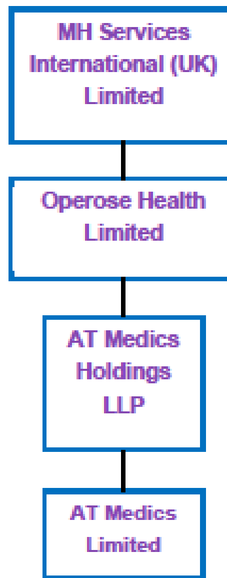
List of APMS Contracts

Mitchison Road Surgery	F83056
Hanley Primary Care Centre	Y01066
Kings Cross Surgery	F83635
Somers Town Medical Centre	F83683
Brunswick Medical Centre	F83048
Camden Health Improvement Practice	Y02674
St Ann's Road Surgery	Y02117
GP Hub Camden (Somers Town / Brondesbury)	AF006 AF009 AF008 AF007

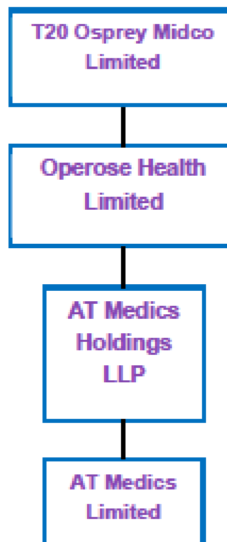
Annex 2

Group Structure Details

Before



After



Annex 3

ICB Consent Response

FROM: NHS North Central London ICB ("the Commissioners")

TO: AT Medics Limited

The Commissioners acknowledge that AT Medics Limited has requested they consent to a change of control, in respect of the following APMS Contracts ("**the Contracts**"):

Practice name	**Contract reference**
Mitchison Road Surgery	F83056
Hanley Primary Care Centre	Y01066
Kings Cross Surgery	F83635
Somers Town Medical Centre	F83683
Brunswick Medical Centre	F83048
Camden Health Improvement Practice	Y02674
St Ann's Road Surgery	Y02117
GP Hub Camden (Somers Town / Brondesbury)	AF006 AF009 AF008 AF007

Change of control

Clause 54.3 of the Contracts requires AT Medics Ltd to receive prior authorisation of the relevant Commissioner prior to any change of control, as defined in the Contracts.

The change of control that AT Medics Ltd is seeking consent to relates to a change of the proposed ownership of Operose Health Limited which amounts to a change of control in the Holding Company of AT Medics Ltd. Subject to the completion of the transaction, the intention is that the ownership of Operose Health Limited will transfer to HCRG Care Group See Annex 1.

AT Medics Limited has confirmed that it will continue to provide the services under the Contracts, and there will be no adverse changes to the services under the Contracts as a result of this change in control. No changes are proposed to the terms or operation of the Contracts.

Consent

By signing this letter, the Commissioners hereby confirm that they consent to the change of control referenced above in respect of the Contracts, such change of control to take place on completion of the transaction. Signed for and on behalf NHS North Central London ICB.

Name	
Date	
Signature	

NHS
North East London

Primary Care Contracts sub-committee

21 May 2024

Title of report	NEL Approach to Expiring APMS GP contracts
Author	Lorna Hutchinson
Presented by	Lorna Hutchinson, Senior Commissioning Manager
Contact for further information	lorna.hutchinson@nhs.net
Executive summary	This report provides an overview of the ten APMS primary medical service contracts that will come to an end or break clause at various dates within the next 15 months (by August 2025). This report sets out the plan to ensure there are contractual arrangements in place for patients to continue to receive primary medical services when the respective contracts come to an end. The Provider Selection Regime (PSR) is a set of new regulations that came into force in January 2024 and provides new routes for selecting providers for contract awards. The new processes and requirements to satisfy due diligence are in the early stages of local development and implementation. Furthermore, programme support and resources key to progressing the various pieces of work are still being worked through. To allow sufficient time to secure new contractual arrangements for those contracts approaching their final end date, contract variations will need to be agreed as relevant, up to the maximum date of 30 September 2025.
Action / recommendation	The Committee is asked to: 1) approve the extension of four contracts approaching their contract life-time end date, up to a maximum extension date of 30 September 2025. These are: • Frances Road – Waltham Forest • Island Medical – Tower Hamlets • Broad Street – Barking & Dagenham • E16 Health – Newham 2) note that commissioning intentions for the four practices with provision to extend for a further five years, will be taken to the July Sub-Committee for approval and 3) note that commissioning intentions for those five contracts that are approaching the contract life-time end date will be presented to the September Sub-Committee for approval.

Previous reporting	N/A
Next steps/ onward reporting	Commissioning intentions for those five practices where there is provision to extend for a further five years will be taken to local fora and then the July Sub-Committee for approval. Commissioning intentions for those five contracts that are approaching the contract life-time end date will be taken to local fora and the NEL Procurement group for assurance that the correct process is being followed under the PSR regulations prior to presentation at the September Sub-Committee for approval
Conflicts of interest	GPs may be conflicted. This will be managed under the processes for the Committee.
Strategic fit	To enhance productivity and value for money
Impact on local people, health inequalities and sustainability	Securing contractual arrangements to ensure continuity of primary medical services and reduction in health inequalities.
Impact on finance, performance and quality	The procurement programme will require additional resources to cover patient communication; specialist support (project management, external Subject Matter Experts. The resource funding costs will be made explicit in the respective papers timetabled for July & September meetings. The Delivery Support Unity (DSU) will supply project management funding via SDF funding.
Risks	(1) If the application of PSR is not applied robustly, the ICB may be exposed to legal challenges. (2) The identification of specialist programme support and resources identified to support the successful delivery the programme

1.0 Introduction

1.1 There is now greater flexibility beyond the competitive procurement route for awarding a new contract with the implementation of the Provider Selection Regime (PSR) Regulations 2023[1] which came into force on 1 January 2024. These regulations replace the NHS healthcare service procurement rules (Appendix 1 provides an overview of the PSR). For GP services, there are three routes identified as most relevant for awarding GP contracts. These include the following:

a) **Direct award process A, B & C:** where there is an existing provider for the services and that existing provider is satisfying the original contract and will likely satisfy the proposed new contract, and the services are not changing considerably.

[1] https://www.legislation.gov.uk/uksi/2023/1348/contents/made

b) **Most suitable provider process:** where the relevant authority is able to identify the most suitable provider without running a competitive process.

c) **Competitive process:** where the relevant authority wishes to run a competitive exercise, or if they wish to conclude a framework agreement.

1.2 North East London ICB currently commissions primary medical services through three different contract types under delegated responsibility from NHSE. These are General Medical Services (GMS), Personal Medical Services (PMS) and Alternative Provider Medical Services (APMS).

1.3 The APMS contract framework offers the greatest level of flexibility and allows contracts with other organisations other than a GP or GPs working in partnership to provide primary medical services. APMS contracts are time limited and normally in London have a maximum lifetime of 15 years inclusive of break-clause terms.

1.4 There are five APMS contracts that are coming up to the final end dates of their contract lifetime. Four have been previously extended under agreed contract variations as provided in their contract terms. One (Aldersbrook) is coming to an end as the existing provider did not want to continue beyond the break point.

1.5 In addition, five APMS contracts are approaching their respective break-clause date at which point the contract can be varied for a further 5-year term.

1.6 Table 1 lists the contracts approaching the end date of their respective life-time and those that have provision for a further 5-year term at break-clause.

Table 1: NEL APMS Contracts Approaching Expiry and Break-Clauses

	Borough	Contract	Status	List Size *
1	Waltham Forest	Francis Road Medical (under caretaking)	Expiry March 2025	7383
2	Tower Hamlets	Island Medical & Wood Wharf practices	Expiry March 2025	12255
3	Barking & Dagenham	Broad Street Medical	Expiry March 2025	8973
4	Newham	E16 Health & Pontoon Dock	Expiry June 2025	22800
5	Redbridge	Aldersbrook Medical Centre	Expiry March 2025	4716
6	Newham	Newham Transitional (Specialist Homeless Practice)	Break Clause March 2025	4296
7	Waltham Forest	SMA Medical	Break Clause March 2025	11777
8	City & Hackney	Allerton Road	Break Clause March 2025	5866
9	Newham	Carpenters Practice	Break Clause June 2025	24983
10	Tower Hamlets	Goodman’s Fields	Break Clause August 2025	34847

** List size as of 1/3/24*

2.0 Expiring contracts with provisions for a further term

2.1 The five contracts listed in Table 2 below have provision for extending for a further five-year term. Contract reviews are undertaken annually to monitor performance and delivery. These will inform Commissioning Intentions for these contracts which will be taken to local fora and then the NEL Primary Care Contracts Sub-Committee in July.

2.2 In accordance with the terms of each contract, notification to extend the contract must be provided to the contractor nine months prior to the expiry date. The dates for actioning are set out in Table 2**.**

2.3 If contract extensions are approved, discussions will progress with each contractor to agree the contract extension and a contract variation issued.

Table 2: Contracts with provision for extending for a further 5-year term

	Place	Contract	Contract Provision	Action
1	Newham	Newham Transitional	Break Clause March 2025	Contract end date March 2030 Confirm 5 year extension by 30 June 2024
2	Waltham Forest	SMA Medical	Break Clause March 2025	Contract end date March 2030 Confirm 5 year extension by 30 June 2024
3	City & Hackney	Allerton Road	Break Clause March 2025	Contract end date March 2030 Confirm 5 year extension by 30 June 2024
4	Newham	Carpenter Practice	Break Clause June 2025	Contract end date June 2030 Confirm 5 year extension by September 30 2024
5	Tower Hamlets	Goodman's Field	Break Clause August 2025	Contract end date July 2030 Confirm 5 year extension by September 30 2024

3.0 Expiring contracts with no provisions for further extensions:

3.1 Where there are no further provisions within a contract for an extension, an extension can be agreed to facilitate the commissioning strategy being worked through and progressing with the most appropriate PSR route.

The process map for identifying the most appropriate PSR route for each contract is set out in Appendix 2.

3.2 Each APMS contract will be considered on a case-by-case basis and depending on the PSR route determined for each contract, the process for selection could take between 6 -12 months to complete to contract award. The proposed extension for each contract is outlined in Table 3.

3.3 From the learning of the recently concluded APMS procurement programme where six contracts were tendered, the importance was highlighted of allocating sufficient time and resources to complete pre-procurement activities, including the development of commissioning intentions, stakeholder engagement and having sufficient programme and project support in place.

3.4 Extending the first four contracts listed below, up to a maximum end date of 30 September 2025, will allow sufficient time to effectively progress through the stages outlined in Table 4. Commissioning intentions have already been agreed for Aldersbrook Medical Centre with a view to new contractual arrangements being in place for 1 April 2025.

Table 3

	Borough	Contract	Status	Action
1	Waltham Forest	Francis Road Medical (under caretaking)	Expiry March 2025	Extend to 30 September 2025 with a break-clause option to terminate on 30 June 2025
2	Tower Hamlets	Island Medical & Wood Wharf practices	Expiry March 2025	Extend to 30 September 2025 with a break-clause option to terminate on 30 June 2025
3	Barking & Dagenham	Broad Street Medical	Expiry March 2025	Extend to 30 September 2025 with a break-clause option to terminate on 30 June 2025
4	Newham	E16 Health & Pontoon Dock	Expiry June 2025	Extend to 30 September 2025
5	Redbridge	Aldersbrook Medical Centre	Expiry March 2025	Agreement with the Provider not to extend. Provider to be identified through a limited competitive process from 1 April 25, as previously agreed through the Committee

3.5 Proposed key timescales for selection routes via PSR:

The key activities of the 15-month programme are set out in **Table 4** below:

	Pre-PSR stage		**Duration**
1	Commissioning Intentions discussions at respective local fora/borough partnership boards etc	June 2024	**4 months**
2	Patient engagement & provider market engagement	July 2024	
3	Presentation of proposed commissioning intentions (including the proposed PSR route for each contract) to the ICB Procurement Group for assurance that PSR regulations and NHS Statutory guidance are satisfied.	August	
4	Commissioning intentions (including proposed PSR route) to the PCCSC for approval	September 2024	
	PSR stage		**Duration**
	Enact selected PSR routes for each of the 4 contracts	Oct 2024 – June 2025	**11 months**
	Contract Mobilisation (various dates depending on the selection route for each contract)	June – September 2025	
	Contract commencement completed for all contracts	1 October 2025	

4.0 Risks and mitigations

4.1 The end-to end programme to deliver the four new contract arrangements is expected to be completed within 15 months. The risks to the success of the programme are outlined below:

Risk		Mitigation
1	Due to current vacancy levels, insufficient capacity to provide dedicated Programme and project management support	Secure external Project Management support if deemed necessary
2	The ICB may be exposed to legal challenges in applying a PSR route.	Procurement specialist support will be provided by the NHS London Commercial Hub to advise on the application of PSR to ensure the principles for acting transparently, proportionally and fairly are adhered to. Internal governance structures will provide oversight for the processes.

5.0 Conclusion / Recommendations

5.1 The Committee is asked to:

1) approve the extension of those four contracts approaching their contract life-time end date, (outlined in table 3) up to a maximum extension date of 30 September 25.

2) note that commissioning intentions for those five practices where there is provision to extend for a further five years will be taken to the July Sub-Committee for approval and commissioning intentions for those five contracts that are approaching the contract life-time end date will be taken to the September Sub-Committee for approval.

6.0 Attachments

6.1 Appendix 1 – Provider Selection Regime Overview
6.2 Appendix 2 – Provider Selection Regime getting to the right decision

Report drafted by:

Lorna Hutchinson
May 2024

NHS England

The Provider Selection Regime

Overview

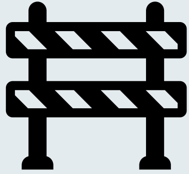
This slide deck introduces the new Provider Selection Regime (PSR).

It is designed to provide a high-level summary of the PSR and the main points that all those involved in arranging health care services should be aware of. It is not intended to be exhaustive or to be used as guidance. More detailed information and resources are available on the NHS England PSR website.

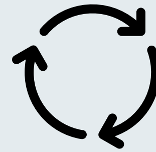
Organisations required to apply the PSR when arranging in-scope health care services must follow the associated regulations and statutory guidance.

- The Provider Selection Regime (PSR) is a set of new rules that relevant authorities must follow when procuring health care services in England. The PSR was created under the Health and Care Act 2022, as part of wider measures to promote greater integration of health and care services.
- The PSR came into force on **1 January 2024.**
- The procurement of health care services by relevant authorities has been removed from the scope of the Public Contracts Regulations 2015, and the NHS Procurement, Patient Choice and Competition Regulations 2013 will be revoked.
- The ‘relevant authorities’ required to follow the PSR when procuring healthcare services are NHS England, integrated care boards, NHS trusts and NHS foundation trusts, and local authorities or combined authorities.
- Relevant authorities should familiarise themselves with the PSR regulations and NHS England’s draft statutory guidance and review their procurement and governance processes in line with this.
- A PSR toolkit has been produced to support relevant authorities to prepare for and apply the new regime. A series of webinars are running until March 2024. These resources can be accessed via the NHS England PSR website.

Changes to health care services commissioning



Previous legislation governing the commissioning and procurement of health care services set the expectation that competitive tendering is used to award health care contracts. This created barriers to integrating care and disrupted the development of stable collaborations.



Since 2019 NHS England has iteratively co-created a new set of proposals with ICBs, NHS trusts and foundation trusts, commissioning support units, local authorities, government departments and key membership bodies, to introduce a new provider selection regime that supports the wider integration agenda.

We've heard how the health care provided to patients would benefit from increased flexibility in commissioning decisions, where competitive tendering is a tool that the NHS can choose to use from a wider set of options where it is appropriate to secure services that meet the needs of the people.

The **Health and Care Act 2022** (the 2022 Act) codified the move towards more integrated working across the health and care systems, so that all decisions taken by commissioners and providers are in the best interest of patients and service users.

As part of the necessary reforms to achieve its aim, the 2022 Act introduced a new regime for selecting providers of health care services in England: the **Provider Selection Regime (the 'PSR')**. The Health Care Services (Provider Selection Regime) Regulations 2023 sets out the detail of the PSR. Relevant authorities must also have regard to the associated statutory guidance.

The PSR came into force on the 1 January 2024 and replaced the:

- Public Contracts Regulations 2015, when procuring health care services
- National Health Service (Procurement, Patient Choice and Competition) Regulations 2013.

In line with the provisions in the Health and Care Act 2022, the PSR:

- introduces a flexible and proportionate process for deciding who should provide health care services
- provides a framework that allows collaboration across systems
- ensures that all decisions are made in the best interest of patients and service users.

The PSR requires organisations to:

- act transparently, fairly, and proportionately
- act with a view to
  - secure the needs of the people who use the services
  - improve the quality of the services
  - improve the efficiency of the services

- including through integrated service delivery.

Scope of the new legislation

Organisations (termed '**relevant authorities**') required to follow the PSR when procuring health care services are:

- NHS England
- Integrated Care Boards
- NHS trusts and foundation trusts
- Local authorities or combined authorities

In scope are:

- **health care services** arranged by the NHS e.g., hospital, community, mental health, primary health care services
- **public health services** arranged by local authorities e.g., substance use, sexual and reproductive health, and health visitors

Out of scope are:

- **goods** e.g., medicines, medical equipment
- **social care** services
- **Non-health care services** or health-adjacent services e.g., capital works, business consultancy

Overview of the provider selection processes

Relevant authorities can follow the below provider selection processes to award contracts for health care services:

- **Direct award process A** where there is an existing provider for the services and that provider is the only capable provider.
- **Direct award process B** where people have a choice of providers, and the number of providers is not restricted by the relevant authority.
- **Direct award process C** where there is an existing provider for the services and that existing provider is satisfying the original contract and will likely satisfy the proposed new contract, and the services are not changing considerably.
- **Most suitable provider process** where the relevant authority is able to identify the most suitable provider without running a competitive process.
- **Competitive process** where the relevant authority wishes to run a competitive exercise, or if they wish to conclude a framework agreement.

Key criteria

There are five **key criteria** that must be considered when assessing providers under direct award process C, the most suitable provider process, or the competitive process. These are:

- Quality and innovation
- Value
- Integration, collaboration, and service sustainability
- Improving access, reducing health inequalities, and facilitating choice
- Social Value

Transparency and reviewing decisions during the standstill period

The PSR provides for greater flexibility in deciding how best to arrange local health care services and allows relevant authorities to award contracts without using a competitive process, where appropriate.

Other checks and balances are therefore in place to ensure that the PSR is complied with and that the flexibilities are used appropriately and in the best interest of patients and service users. These include:

- specific transparency and record-keeping requirements
- a standstill period within certain provider selection processes – that is, a minimum period between publishing an intention to award a contract notice and awarding a contract where provider selection decisions can be reviewed
- an independent PSR review panel – providers will be able to make representations to the PSR review panel if they believe that a relevant authority has not followed processes/met the requirements of the PSR when awarding a contract.

Reviewing decisions during the standstill period

The standstill period applies where relevant authorities followed direct award process C, the most suitable provider process, or the competitive process. The standstill period does not apply to direct award processes A and B.

During the standstill period:

- providers can bring representations against provider selection decisions
- relevant authorities have to review representations and have to make a further decision about whether to proceed with the award of the contract, return to an earlier step in the process, or abandon the process
- where the provider remains unsatisfied with the response of the relevant authority, they may seek a review by the independent PSR review panel
- the panel may accept to review a representations and offer advice to the relevant authority; the relevant authority will take a further decision based on that advice about whether to proceed with the award of the contract, return to an earlier step in the process or abandon the process.

The PSR came into force on **1 January 2024**.

Where relevant authorities started a contract award process before 1 January 2024 using the Public Contracts Regulations 2015 (PCR), then they must conclude that process under the PCR rules.

Where relevant authorities start a contract award process on or after 1 January 2024, then they must apply the PSR – even where awarding a contract based on a framework agreement that was established under the PCR rules.

Any contract modifications on or after the 1 January 2024 must be carried out using the PSR, even if the original contract was awarded under the PCR rules.

Contract award procedures started before commencement

A contract award process is considered to have started under the Public Contracts Regulations 2015 if any of the following occur before the PSR comes into forces:

- a contract notice has been submitted to the UK e-notification service for publication in accordance with Regulation 51(1) of the Public Contracts Regulations 2015
- the relevant authority has contacted any provider to seek expressions of interest or offers in respect of a proposed contract
- the relevant authority has contacted any provider to respond to an unsolicited expression of interest or offer received from that provider in relation to a proposed contract.

Implementation

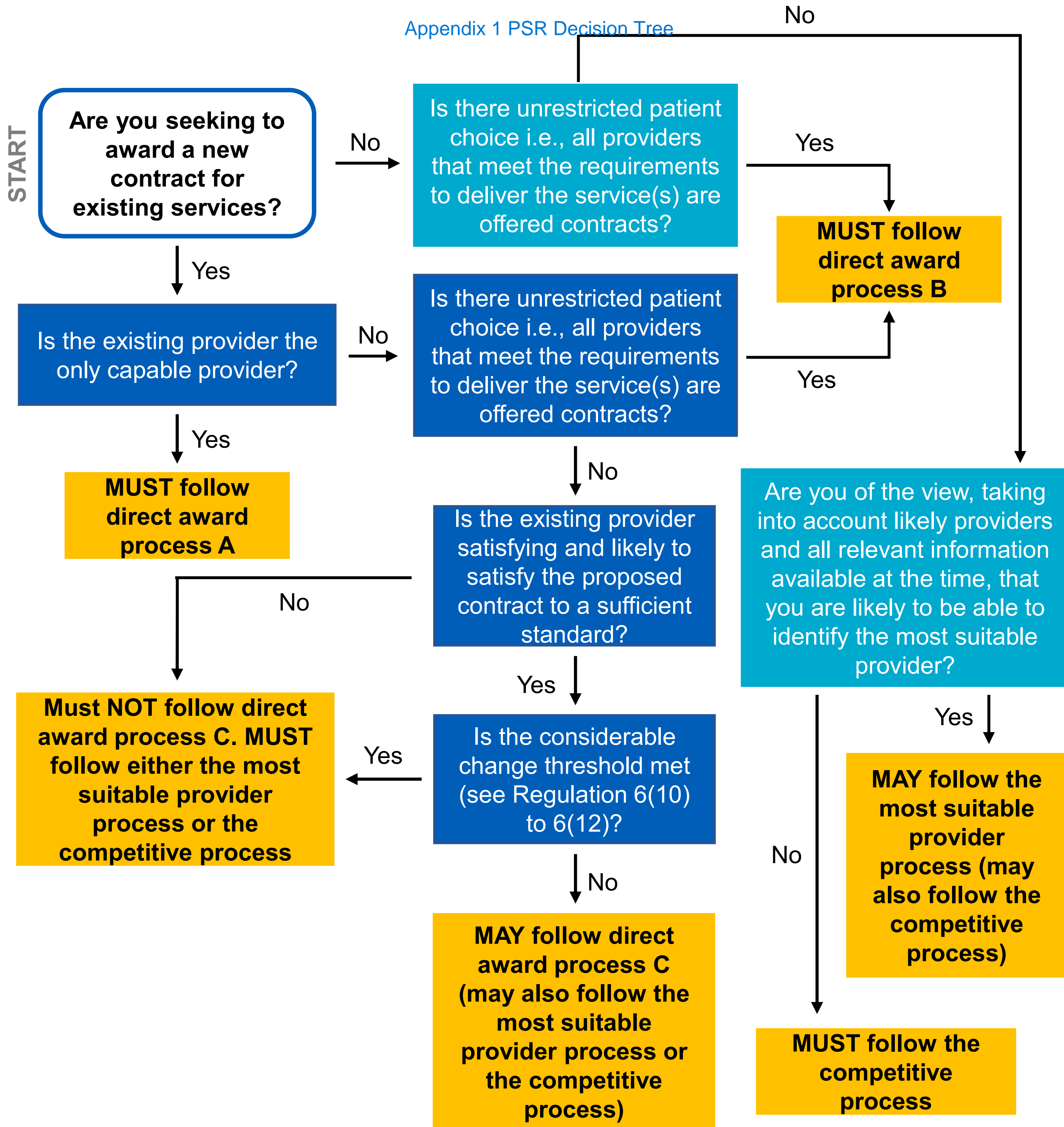
NHS England's statutory guidance sets out what relevant authorities must do to comply with the PSR legislation. Relevant authorities must have regard to the statutory guidance.

NHS England has also published a range of tools to help relevant authorities prepare for implementation. These include:

- process maps (one for each decision-making process)
- comprehensive FAQs
- Find A Tender Service (FTS) guide
- a series of webinars and associated slide decks to provide an overview for commissioners and an in-depth look at the PSR for practitioners

These are available on the PSR website.

Appendix 1 PSR Decision Tree



NHS North East London

Primary Care Commissioning Sub-Committee

21 May 2024

Title of report	New PCN formation – Liberty PCN
Author	Shivani Choudhary, Senior Primary Care Delivery Manager Amatullah Ali, Primary Care Delivery Manager
Presented by	Jordanna Hamberger Head of Transformation
Contact for further information	Jordanna Hamberger
Executive summary	• Haiderian Medical Centre, Cranham Village Surgery, Maylands Healthcare, Avon Road Surgery and Hornchurch Healthcare have submitted application for a new PCN formation – Havering Liberty PCN • They are currently part of Havering South PCN • No increase in funding, there will be a re-distribution of Network DES funds.
Action / recommendation	The Committee is asked to: • Approve the application for the creation of Liberty PCN from 1 July 2024.
Previous reporting	Dr Ruth Crowley discussed the new PCN formation proposal with Dr Imran LMC Chair, note they are supportive. South PCN meeting to formally present the proposed changes to all member practices. Support obtained for the associated five practices to form new PCN formation. Discussed with Luke Burton Borough Director and Dr Narinderjit Kuller Borough Clinical Lead Havering Borough Partnership has endorsed this report for approval on 8 May 2024
Next steps/ onward reporting	BHR Primary Care Management Group – 23 May 2024
Conflicts of interest	• All GPs in Havering are conflicted. • Dr David Derby is the Chair of Havering Health. • Dr Ruth Crowley – Havering Health Director • Dr Mary Burtenshaw – ICB UEC Clinical Lead • Dr Dan Weaver – South PCN Clinical Director • Dr John O'Moore – South PCN Clinical Director Decision to recommend by primary care, for the formation of new PCN has been made without any GP involvement.

Strategic fit	• To improve outcomes in population health and healthcare • To tackle inequalities in outcomes, experience and access
Impact on local people, health inequalities and sustainability	No changes to practice boundaries or services, formation will remain the same and no impact to stakeholders. Supports the implementation of integrated neighbourhood teams.
Impact on finance, performance and quality	There are no additional resource implications/revenue or capitals costs arising from this report. Current funding will be re-distributed via the Network DES.
Risks	• Should the application not be approved, there is a risk of disengagement by Haiderian Medical Centre, Cranham Village Surgery, Maylands Healthcare, Avon Road Surgery and Hornchurch Healthcare from the current Havering South PCN. • This could lead to some or all of the practices withdrawing from the PCN DES. This would then require the ICB to ensure that the practice lists were covered for service provision set out with the PCN DES. With the split causing some residual opposing feeling this might make it a more challenging task. The requirement would be that the practice must co-operate with the PCN that looks after its patients. • Billet Lane Medical Centre are not currently included in the new proposed PCN formation, they are collocated within the same building as Hornchurch Healthcare who will be aligned to the new Liberty PCN. Which would mean two practices within the same geographical location being aligned to two separate PCNs. In the future Billet Lane Medical Centre could decide to apply to join Liberty PCN.

1.0 Introduction

1.1 Havering currently has four Primary Care Networks (PCN) – North, South, Crest and Marshalls. Havering South PCN is currently covering a registered population of 115,931 and made up of 16 practices. This is a large population cohort to manage and thus Havering South PCN were working in smaller localities to be effective and be able to deliver services.

1.2 Through the cluster formation practices have been working together to address health differences for their respective population and different visions around the future Integrated Neighbourhood Team (INT) working have been formed. As a result, the five aligned cluster practices decided to make this a more formal arrangement by proposing a formal split.

1.3 Five members of the Havering South PCN have submitted an application to form a new PCN – Havering Liberty PCN which would cover population of over 50,000 leaving behind 11 remaining core members for Havering South PCN.

1.4 The Committee is requested to:

- Approve the creation of the new PCN.

The formation of new PCN – Havering Liberty PCN, with 5 member practices, covering a population of 50,592.

1.5 Havering South and Havering Liberty PCN will continue with the support of the local providers. Barking, Havering and Redbridge University Hospital Trust (BHRUT) and North East London Foundation Trust (NELFT) are currently already covering the geographical area over Liberty PCN.

LMC have been provided details of the proposed changes and they are supportive of the new PCN formation.

1.6 With the setup of Liberty PCN, the member practices will be able to deliver services that are closer to home and move towards achieving Modern General Practice model and implementing Capacity and access plans.

2.0 Key messages

2.1 Formation of new PCN within Havering – Havering Liberty PCN with five core members covering a population of over 50,000.

2.2 Reducing the current Havering South PCN from 17 to 11 core members covering a population of 65,000.

2.3 There are no financial implications on ICB as the funding for South PCN will be redistributed based on list sizes.

3.0 Detailed report

3.1 Havering currently has four Primary Care Networks (PCN) – North, South, Crest and Marshalls. Havering South PCN is currently covering a registered population of 115,931 made up of 16 practices. This is a large population cohort to manage and thus Havering South PCN were working in smaller localities.

3.2 One of the elected South PCN Clinical Directors has stepped down in preparation for the new PCN formation and an interim South PCN Clinical Director has been appointed. Havering Liberty PCN has nominated a Clinical Director but cannot be formally appointed until authorisation has been granted to establish a new PCN.

3.3 Five practices out of the 16 practices within South Havering PCN have submitted an application for a new PCN formation – Havering Liberty PCN. The five practices are Haiderian Medical Centre, Cranham Village Surgery, Maylands Healthcare, Avon Road Surgery and Hornchurch Healthcare. List sizes are in Annex E.

3.4 The Network Contract DES specification and guidance 2024/25 allows the commissioner to consider applications for the creation of a new PCN. There are several criteria which must be met for the commissioner to approve such applications. These criteria are in Annex D with highlighted section 5, detailing the criteria required for a new PCN formation. All the criteria set out in the network document has been met by Havering Liberty PCN application, including list size, covering contiguous geographical area and not crossing commissioner boundaries. Each of the criteria set out in the specification has been met by the Liberty PCN proposal.

3.5 Havering South PCN have set up a transformation task and finish group with the support of Havering Health to work out logistics of re-assigning services, funds and workforce in preparation for the set-up of Havering Liberty PCN from 1 July 2024. All parties are supportive of the changes and understand collaboration is key to PCN service delivery.

3.6 There will no financial implication for the NHS NEL ICB as the current funding for the South PCN will be redistributed based on the list sizes between Liberty and South PCN. The ARRS workforce will also be aligned with each of the PCN ensuring continuity of services like Enhanced Services and Same Day Access. The new PCN are also exploring their future PCN hub provision to be provided from the newly built St George's health and Wellbeing hub, ensuring integration is at the core of their services.

4.0 Risks and mitigations

4.1 Should the creation of Liberty PCN not be approved, it could potentially cause dis-engagement from the five practices looking to break away from the current South PCN formation. Close monitoring and oversight will be needed, suggesting smaller locality based groups form for the development of Integrated Neighbourhood Team (INT) working.

4.2 This could lead to some or all of the practices from withdrawing from the DES which would then require the ICB to ensure that the practice list is covered by the DES. With the current situation of the practices with their PCN this may be a difficult task. The requirement would be that the practice must co-operate with the PCN that looks after its patients.

4.3 Billet Lane Medical Centre are not currently included in the new proposed PCN formation, they are collocated within the same building as Hornchurch Healthcare who will be aligned to the new Liberty PCN. Which would mean two practices within the same geographical location being aligned to two separate PCNs. In the future Billet Lane Medical Centre could decide to apply to join Liberty PCN.

5.0 Conclusion / Recommendations

5.1 The recommendation of the committee is to 'Approve' the formation of Havering Liberty PCN with the five core members who have submitted the application.

6.0 Attachments

Annex A – Business Case
Annex B – Network Map
Annex C – Network Contract Directed Enhanced Service Mandatory Network Agreement
Annex D – Network Contract Directed Enhanced Service 2023/24 – highlighted section 5
Annex E – List Size
Annex F – Network Contract DES Participation and Notification of Change Form

Due to the size of the attachments these appendices are available from the Governance Team upon request to nelondonicb.corporate@nhs.net

Shivani Choudhary, Senior Primary Care Delivery Manager
Amatullah Ali, Primary Care Delivery Manager
25.04.2024

NHS
North East London

Primary Care Contracts Sub-Committee

21 May 2024

Title of report	Month 12 Primary Care Finance Report
Author	Rob Dickenson – Deputy Director of Finance
Presented by	Rob Dickenson
Contact for further information	r.dickenson@nhs.net
Executive summary	• Summary of the Month 12 reported financial position. • Summary of the 2024-25 planning process.
Action / recommendation	• Note the content of the report
Previous reporting	Month 12 final position and accounts have been reviewed by FPIC and Audit Committee. The 24-25 Operating Plan has been submitted to NHSE within required timescales.
Next steps/ onward reporting	N/A
Conflicts of interest	No decisions required therefore no conflicts to manage
Strategic fit	• To improve outcomes in population health and healthcare • To tackle inequalities in outcomes, experience and access • To enhance productivity and value for money
Impact on local people, health inequalities and sustainability	Continual assessment of Value for Money (VfM) of current and future investments in order to reduce inequalities and provide a valuable service to the local people.
Impact on finance, performance and quality	Ongoing review of financial commitments against available resources. The final year-end (un-audited) reported position was an overspend of £33.6m.
Risks	The main risks to the position are Prescribing, Demographic Growth, ARRS, SDF and Same Day Access Funding.

1.0 Introduction/ Context/ Background/ Purpose of the report

1.1. This report provides the Primary Care Contracts Sub-Committee with a summary of the financial position and associated risks, both at a high-level (NHS NEL) but also providing some information at a Place level.

1.2. Accounts were submitted to NHSE within required timescales, following review by the Finance Committee and sign-off by the Audit Committee. External Audit have since commenced the audit process which is due to conclude by the end of June 2024.

1.3. The paper also provides an update regarding the 24-25 plan.

1.4. The 2023-24 position within this report is being presented to the Sub-Committee for information only, as this has gone through governance already.

1.5. The 2024-25 budget will be reported to the Sub-Committee once finalised.

2.0 Month 12 Financial Overview

2.1. At month 12, NHS NEL reported an overspend of £33.6m (as per the following table).

Month 12	Annual Budget	Outturn	Variance
Area of spend	£m	£m	£m
Delegated Primary Medical Services	414.3	414.5	0.3
Prescribing	256.5	301.1	44.5
Other ICB Funded Primary Care Services	68.3	68.0	(0.4)
Total ICB Funded Primary Care Services	**324.8**	**369.0**	**44.1**
SDF and other PC allocations	7.1	7.0	0.0
Total Primary Care Position (excl. DOPs)	**746.2**	**790.5**	**44.3**
Delegated Dentristry, Optometry and Pharmacy (DOPs)	227.4	216.6	(10.8)
Total Primary Care Position (incl. DOPs)	**973.6**	**1,007.2**	**33.6**

2.2. The delegated position is reported as an overspend of £0.3m (YTD and FOT). The largest contributor to this was the Premises and Locum reimbursements.

2.3. ICB Funded overspend relates to Prescribing which is driven by a continuation of month on month pricing increases as well as additional costs associated with Pharmacy First implementation.

2.4. The DOPs reported position is a forecast underspend of £10.7m, which is predominantly in relation to Primary Dental Services.

2.5. The total Primary Care financial position is broken down by place in Appendix 1.

3.0 Month 12 Detailed Financial Position

3.1. The Primary Care budgets are funded from four sources. The first is the Delegated Primary Medical Services (Co-Commissioning) allocation. The second is from the overall ICB baseline allocation. The third is the System Development Fund (SDF) which includes Primary Care Transformation (PCT) funds. The fourth is the Delegated Dentistry, Optometry and Pharmacy allocation

3.2. Delegated Funding

3.2.1. At Month 12, the Delegated Primary Care position is £0.3m overspend. The table below provides a breakdown of the main categories of spend:

Month 12	Annual Budget	Outturn	Variance
Spend Category	£m	£m	£m
GMS/PMS/APMS Specific			
GP Contractual Service	241.5	241.2	(0.3)
Enhanced Services	2.4	2.5	0.0
Quality Outcomes Framework (QOF)	23.5	23.4	(0.1)
Premises Reimbursements	39.8	40.6	0.8
Other Administered Funds	3.5	4.1	0.7
Personally Administered Drugs	0.8	0.8	0.0
GMS/PMS/APMS Specific Total	**311.5**	**312.6**	**1.1**
Primary Care Networks (PCN)	86.9	86.9	(0.0)
Other	15.8	15.0	(0.9)
Total Delegated Primary Care Position	**414.3**	**414.5**	**0.3**

3.2.2. The position reported above is inclusive of £13.6m drawdown of centrally retained ARRS funding. The ICB received this funding in month 11. The reported position assumes the full allocation will have been spent for the period to 31st March. This however includes a degree of assumption as not all claims will have been received.

3.2.3. Of the underspends reflected under the 'Other Category' in the above table, the most notable are in Redbridge (c.£0.2m) and City & Hackney (£0.6m). These benefits are in contrast to the pressures seen in Premises and Locum reimbursements (c.£0.8m and c.£0.7m respectively). The Locum pressures are predominantly associated with Tower Hamlets, with the Premises pressures being more distributed across places.

3.2.4. The forecast spend of c.£15.0m in the 'Other' category predominantly covers Local Commissioning Intentions in each of the boroughs, such as the schemes funded by the recycling of PMS Premium a number of years ago, as well as services such as the Care Home LIS, Phlebotomy, Homelessness, Interpreting and Practice Based Pro-active Care, to name a few.

3.2.5. The Delegated Primary Care financial position is broken down by place in Appendix 2.

3.3. ICB Baseline Funding (incl. Prescribing and SDF)

3.3.1. At Month 12, the ICB Funded Primary Care position is an overspend of £44.0m. The table below provides a breakdown of the relative categories of spend.

Month 12	Annual Budget	Outturn	Variance
Spend Category	£m	£m	£m
Prescribing	256.5	301.1	44.5
Oxygen	2.6	2.3	(0.3)
Out of hours	1.5	1.4	(0.0)
LES and Other Commissioning Schemes	39.9	37.4	(2.5)
SDF - Primary Care Transformation	7.1	7.0	(0.1)
Access Hubs / Same Day Access	4.7	6.4	1.7
Primary Care - Other	2.0	1.0	(1.0)
GPIT & Meds Mgmt	17.7	19.4	1.8
ICB Funded Primary Care Services	**331.9**	**376.0**	**44.0**

3.3.2. The main reason for the overspend is due to a continuation of Prescribing pressures, which were seen throughout 2022-23 financial year, as well as anticipated slippage of efficiency targets built into the Prescribing budgets. Due to the 2 month time-lag of prescribing data, the final 23-24 position won't be known until the start of June.

3.3.3. There are additional pressures in the Primary Care Corporate budgets, as well as the well documented pressure as a result of extending the Same Day Access service. These are both reported at a NEL level.

3.3.4. In contrast projected underspends against LES and other Commissioning Schemes are associated with activity and performance trends seen through to the end of the year. As with a number of areas of spend, the year-end position includes a degree of assumption until final claims and performance data is received.

3.3.5. The ICB Funded Primary Care financial position is broken down by place in Appendix 3.

3.4. Delegated Dentistry, Optometry and Pharmacy Services

3.4.1. From July 2023, the commissioning of Dentistry, Optometry and Pharmacy services was transferred from NHSE to ICBs. The table below reflects the month 12 financials associated with these services:

Month 12	Annual Budget	Outturn	Variance
Spend Category	£m	£m	£m
Delegated Dental	160.6	151.4	(9.2)
Delegated Optometry	21.6	22.7	1.1
Delegated Pharmacy	43.2	42.3	(0.9)
Delegated Property Costs	2.0	0.3	(1.7)
DOPs Total	**227.4**	**216.6**	**(10.8)**

3.4.2. The latest Dental performance to month 12 suggests a year-end FOT of c.£9.2m underspend, net of patient charge revenue and performance adjustments. This is a consistent picture across London, and is also consistent with 22-23. Dental practices have the opportunity to continue to submit performance data into May therefore the position includes a degree of assumption.

3.4.3. The Optometry overspend is consistent with the increase in activity being seen throughout the year. The numbers of sight tests have increased plus a small increase in Repairs and Replacements, which may be a backlog following the COVID period.

3.4.4. Closure of some Pharmacies may be contributing to the Pharmacy underspend. The data is always two months in arrears, therefore there is some risk in accurate forecasts but the forecast is consistent with the YTD.

4.0 2024-25 Planning

4.1. The Operating Plan (for the system) was submitted to NHSE in early May 2024. The table below illustrates the difficulties facing the system in 2024-25:

NEL ICS 24/25 Operating Plan	Total ICS 24/25 Plan	BARKING, HAVERING AND REDBRIDGE UNIVERSITY HOSPITALS NHS TRUST	BARTS HEALTH NHS TRUST	EAST LONDON NHS FOUNDATION TRUST	HOMERTON HEALTHCARE NHS FOUNDATION TRUST	NORTH EAST LONDON NHS FOUNDATION TRUST	NHS NORTH EAST LONDON INTEGRATED CARE BOARD
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Underlying Surplus/ (deficit)	**(253,102)**	**(26,926)**	**(83,504)**	**(31,091)**	**(19,108)**	**(12,602)**	**(79,871)**
Planned surplus/(deficit)	**(55,502)**	**(11,715)**	**(30,836)**	**0**	**(8,041)**	**(4,910)**	**0**
Recurrent Efficiencies	**204,992**	38,000	84,952	12,757	12,252	11,295	45,736
Non Recurrent Efficiencies	**77,773**	0	19,776	16,243	9,248	9,705	22,801
Total Efficiencies	**282,765**	**38,000**	**104,728**	**29,000**	**21,500**	**21,000**	**68,537**

4.2. The table above reflects a planned system deficit of £55.5m. The Acute Trusts and NELFT are all planning for a deficit, with ELFT and the ICB planning for a break-even position.

4.3. In order to achieve these targets, a significant level of efficiency will be required (c.£283m).

4.4. The more granular budget assumptions for the ICB are currently being worked through (and will be reported at the next meeting) however we can report the following high-level information.

Delegated

4.5. NHSE planning assumptions for Delegated Co-commissioning have not yet been circulated but the recurrent allocations have been circulated (as per the following table):

2023/24 Adjusted recurrent baseline (£k)	2023/24 Distance from target (%)	2024/25 Base growth (%)	2024/25 Convergence (%)	2024/25 Recurrent allocation (£k)	2024/25 Recurrent allocation £/head	2024/25 Recurrent allocation growth (%)	PCN funding for SDF leadership (£k)	Additional SDF for IIF cancer indicator (£k)	Total 2024/25 Recurrent allocation (£k)
398,684	2.41%	3.79%	-0.40%	412,143	173	3.38%	1,618	184	413,946

4.6. The recurrent baseline has been confirmed at £413.9m which represents funding growth of 3.38%. This is net of a convergence factor of minus 0.4%, which equates to £1.6m.

4.7. The net recurrent increase is £13.5m, with an additional £1.8m of non-recurrent funding.

4.8. This excludes final DDRB assumptions and any drawdown of centrally retained ARRS funding (which is currently estimated to be between £19-20m.

4.9. Without the detailed planning assumptions from NHSE, it's not possible to fully understand how much risk or benefit there is, both at place and NEL overall. The finance team are however producing budget models using best-estimate assumptions. Budget setting is aimed to be finalised by the end of May, subject to NHSE guidance.

DOPs

4.10. The notified allocations for DOPs is c.£229m which appears to reflect some growth. Detailed guidance is outstanding, similar to Delegated, therefore further information is to follow.

SDF/PCT

4.11. Indications are that the Primary Care Transformation allocations are due to be in line with those received in 2023/24. Final figure confirmation is awaiting. The teams are have been working in the background to identify programmes of spend on this basis, with the go ahead simply awaiting NHS confirmation of funding value.

ICB baseline funded

4.12. With a sizeable efficiency target, to achieve a break-even position by year-end, the ICB funded budgets (not just Primary Care) are yet to be finalised. Further information on this will be provided once available.

5.0 Conclusion / Recommendations

5.1. The Primary Care Contracts Sub-Committee is asked to note the content of the report.

6.0 Attachments

6.1. Appendix 1 – Total Primary Care forecast by Place
Appendix 2 – Delegated Primary Care forecast by key spend category and by Place
Appendix 3 – ICB funded Primary Care forecast by key spend category and by Place
Appendix 4 – Summary of financial position for the ARRS
Appendix 5 – Graph representing utilisation of Place-level ARRS allocations

Author: Rob Dickenson, Deputy Director of Finance
Date: 3rd May 2024

Appendix 1 – Total Primary Care forecast by Place

Month 12	Annual Budget	Outturn	Variance
Spend Category	£m	£m	£m
Barking & Dagenham	43.6	43.5	(0.1)
City & Hackney	72.7	72.8	0.1
Havering	51.7	51.1	(0.6)
Newham	91.0	91.0	(0.0)
Redbridge	57.7	57.7	0.1
Tower Hamlets	78.4	77.5	(0.9)
Waltham Forest	61.0	60.4	(0.6)
Prescribing and other NEL-wide programmes	290.0	336.3	46.3
Total Primary Care Position	**746.2**	**790.5**	**44.3**

Appendix 2 – NEL Delegated Position by key spend category and by place

	Barking and Dagenham		Havering		Redbridge		Tower Hamlets		Newham		Waltham Forest		C&H	
Month 12	Outturn	Variance	Outturn	Variance	Outturn	Variance	Outturn	Variance	Outturn	Variance	Outturn	Variance	Outturn	Variance
Spend Category	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
GMS/PMS/APMS Specific														
GP Contractual Service	24.3	(0.0)	29.5	0.0	32.8	(0.1)	39.6	0.0	48.1	(0.1)	31.2	(0.2)	35.8	0.0
Enhanced Services	0.2	0.0	0.4	(0.0)	0.4	0.0	0.3	(0.0)	0.5	0.0	0.3	0.0	0.3	0.0
Quality Outcomes Framework (QOF)	2.3	0.0	3.3	(0.0)	3.7	(0.0)	3.1	(0.1)	4.5	0.0	3.1	0.0	3.3	(0.0)
Premises Reimbursements	4.9	0.2	4.3	0.1	3.5	0.0	8.5	0.2	7.6	(0.0)	4.7	0.1	7.1	0.3
Other Administered Funds	0.3	0.1	0.4	0.1	0.5	0.0	0.8	0.3	0.5	(0.0)	0.7	0.3	0.8	0.0
Personally Administered Drugs	0.0	0.0	0.2	0.0	0.1	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.2	0.0
GMS/PMS/APMS Specific Total	**32.0**	**0.2**	**38.3**	**0.2**	**41.1**	**(0.1)**	**52.4**	**0.4**	**61.3**	**(0.1)**	**40.1**	**0.2**	**47.4**	**0.3**
Primary Care Networks (PCN)	8.5	(0.3)	9.6	(0.8)	12.2	0.1	13.8	(0.2)	17.4	0.5	11.9	0.3	13.5	0.3
Other	1.6	(0.2)	1.7	(0.1)	2.8	(0.1)	0.0	0.0	4.1	(0.1)	3.5	0.1	1.2	(0.6)
Total Delegated Primary Care Position	**42.1**	**(0.2)**	**49.6**	**(0.7)**	**56.1**	**(0.1)**	**66.3**	**0.3**	**82.8**	**0.3**	**55.6**	**0.6**	**62.2**	**0.1**

- The forecast spend reflected against 'Other' predominantly covers Local Commissioning Intentions in each of the boroughs, such as the schemes funded by the recycling of PMS Premium a number of years ago, as well as services such as the Care Home LIS, Phlebotomy, Homelessness, Interpreting and Practice Based Pro-active Care, to name a few

Appendix 3 – ICB Funded Primary Care by key spend category and by place

	Barking and		Havering		Redbridge		Tower Hamlets		Newham		Waltham Forest		C&H	
Month 12	**FOT**	**Variance**	**FOT**	**Variance**	**FOT**	**Variance**	**FOT**	**Variance**	**FOT**	**Variance**	**FOT**	**Variance**	**FOT**	**Variance**
Spend Category	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Out of hours	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	(0.0)	0.0	0.0	0.3	(0.0)
LES and Other Commissioning Schemes	1.0	(0.0)	1.3	0.1	1.3	0.1	11.3	(1.1)	7.1	(0.3)	4.9	(1.2)	10.3	0.1
Primary Care - Other	0.3	0.1	0.3	0.0	0.4	0.0	0.0	0.0	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)
ICB Funded Primary Care	**1.4**	**0.1**	**1.6**	**0.1**	**1.7**	**0.1**	**11.3**	**(1.1)**	**8.2**	**(0.4)**	**4.9**	**(1.2)**	**10.7**	**0.1**

- PC Other – This covers Simple Wound Care, CEG contracts, and PELC PTI cover.

	Non Place	
Month 12	**Outturn**	**Variance**
Spend Category	£m	£m
Prescribing	301.1	44.5
Oxygen	2.3	(0.3)
LES and Other Commissioning Schemes	0.2	(0.2)
SDF - Primary Care Transformation	7.0	(0.1)
Access Hubs / Same Day Access	6.4	1.7
GPIT & Meds Mgmt	19.4	1.8
ICB Funded Primary Care	**336.3**	**46.3**

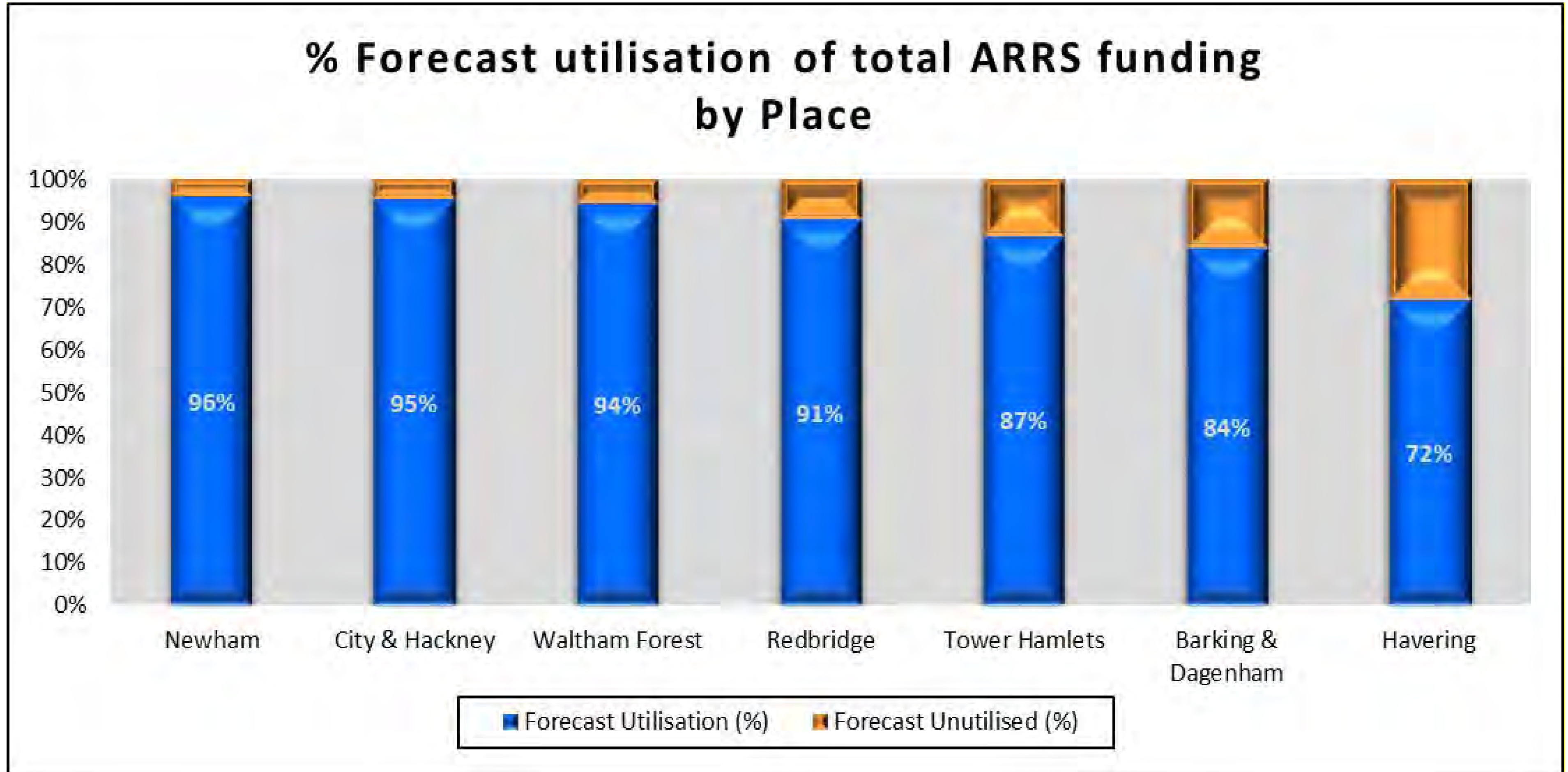
Appendix 4 – Summary of financial position for the ARRS

Additional Roles	ICB ARRS Costs YTD M1-12 £000's	Forecast number of FTE in PCNs FTE	Forecast ARRS spend Full year £000's
Clinical Pharmacist	8,363.8	297.0	14,363.2
Care Coordinator	3,652.2	220.8	6,524.8
Physiotherapist	3,175.4	106.4	5,191.3
Physician Associate	2,208.6	90.2	3,794.7
Social Prescribing	2,156.8	107.7	3,477.0
General Practice Assistant	1,631.9	157.0	3,391.1
Pharmacy technician	952.9	39.6	1,448.4
Health and Wellbeing Coach	838.4	47.4	1,350.2
Advanced Practice Nurse	501.6	34.2	1,247.5
Digital and Transformation Lead	622.7	24.6	1,212.5
CYP Mental Health Practitioner	468.7	37.8	934.7
Clinical Pharmacist Advanced Practitioner	535.4	12.3	891.2
Paramedic	396.9	21.4	814.7
Dietician	441.6	19.2	763.9
Podiatrist	169.9	5.0	269.7
Trainee Nursing Associate	133.7	13.6	266.9
Nursing Associate	141.9	6.0	218.4
Occupational Therapist	142.4	4.6	214.9
Physiotherapist Advanced	92.2	2.0	159.5
Podiatrist Advanced	34.1	1.0	50.4
	26,660.9	**1,247.8**	**46,585.1**

	Annual Budget £000's	Forecast £000's	Variance £000's
2023/24 ARRS allocation in ICB baseline - 12 months (63%)	**32,977.0**	**46,585.1**	**13,608.1**
2023/24 NHS E/I Retained - 12 months (37%)	**19,302.0**		**(19,302.0)**
Total 2023/24 ARRS funding available - 12 months (100%)	**52,279.0**	**46,585.1**	**(5,693.9)**

Utilisation of 100% funding	**89%**

Appendix 5 – Graph representing utilisation of Place-level ARRS allocations



NHS North East London

Primary Care Contracts Sub-Committee

21 May 2024

Title of report	Primary Care Risk Register
Author	Alison Goodlad
Presented by	Deputy Director Primary Care
Contact for further information	alison.goodlad@nhs.net
Executive summary	Significant changes since the last risk register report: • one risk has been closed (Risk 15 - NEL multi-lot APMS procurement) due to successful mobilisation of all new APMS practices as at 1 April 24) • one risk has been added (Risk 21 - Risk of Potential planned action by GPs following BMA letter dated 18 April 24)
Action / recommendation	The sub-committee is asked to note
Previous reporting	Primary Care Delivery Group Primary Care Collaborative sub committee
Next steps/ onward reporting	
Conflicts of interest	Not applicable
Strategic fit	• To improve outcomes in population health and healthcare • To tackle inequalities in outcomes, experience and access • To enhance productivity and value for money • To support broader social and economic development
Impact on local people, health inequalities and sustainability	N/A
Impact on finance, performance and quality	There are no additional resource implications/revenue or capital costs arising from this report
Risks	This paper notes the review and outlines the risks on the current NEL Primary Care Risk Register.

Primary Care Risk Register

ID no.	Date raised	Area Raised by	Initial risk score	Corporate objective	Risk description	Previous rating	Current rating			Target rating	Target completion date	Completed mitigating actions	Mitigating actions in progress	Risk owner	Action Owner	Responsible committee or group	Escalation required (Y/N)	Escalation Details	Updates/ comments	Close Down Status
							Likelihood	Impact	Risk Score (1-25)											
PC01	13 March 2023	Primary Care Directorate	9	To tackle inequalities in outcomes, experience and access	There is a risk to primary care that lack of clarity around prioritisation processes and how/where funding and resources are allocated, will result in making investment decisions that don't align with local priorities by supporting primary care and improving population health, particularly where priorities might be conflicting eg NEL vs Place. Additionally,a lack of clarity around prioritisation could delay the allocation of resources effectively to deliver our priorities.	9	3	3	9	6	Sep-24		Ensure that the future prioritisation process and associated funding allocation to support any programme of work reflects the agreements set out in the Finance Strategy and principles and objectives of the ICS. Identifying and supporting informed discussions where priorities conflict. Prioritisation process to be transparent and supporting the allocation of resources. Review of 23/24 primary care budgets, as part of the Financial Recovery Process. Work being undertaken to firm up priorities and objectives and ensure alignment with place teams.	Sarah See	Sarah See	Primary Care Contracting Sub Committee	N			
PC19	20 December 2023	Primary Care Directorate	15	To tackle inequalities in outcomes, experience and access	There is an ongoing risk associated to the local population with limited, or no access, to routine NHS dentistry for both adults and children which will lead to a deterioration in the oral health of the population with wider consequences in terms of chronic health issues for adults and impact on children's education. There is significant eveidence to suggest that those in the most deprived groups are the most adversely affected.	15	4	5	15	12	Mar-25	Investment of £3.1m to deliver additional routine NHS dental access for the period Oct -2023 - March 2024, signed off by the ICB in August 2023; Urgent Care Procurement completed, new permanent delivery in place from April 2024	Development of DOP specific provider groups; Inclusion of Dentistry as part of place based discussions within NEL. Ongoing work with Dental Public Health Consultants and LAs to formulate Oral Health approaches/strategies that can increase the opportunity for the population to access Oral Health advice and promote the delivery of 'supervised tooth brushing in schools and other community settings	Sarah See	Jane Lindo/ Jeremy Wallman	Primary Care Contracting Sub Committee and Commissiong Oversight Group (COG)	Y			
PC02	13 March 2023	Primary Care Directorate	12	Develop our NEL integrated care system	There is a risk to the development of primary care in NEL and the ability to meet the needs of the local people that national measures and requirements (often requested at short notice) do not align/meet our local ambition and are not consistent with our ICS strategy which will impact on our ability to develop comprehensive plans and strategies and/or impact on our resources and ability to deliver against local priorities. For example - national operating plan targets on GP appointment numbers, constraints on the ways that national investments can be spent	12	4	3	12	9	Sep-24			Sarah See	Jane Lindo	Primary Care Collaborative	N			
PC03	13 March 2023	Primary Care Directorate	6	To enhance productivity and value for money	There is risk that the lack of plans, operating models and structures will impact the ability of primary care to build relationships at Place, causing difficulty to engage and work collaboratively to deliver.	9	3	3	9	4	Sep-24	ICB structure released, consulted on and being put in place..	Ongoing development, led by CSTO, on future operating model.	Jo Moss	Sarah See	CSTO	N		risk incr to 9	
PC04	13 March 2023	Primary Care Directorate	12	To enhance productivity and value for money	There is a risk that the financial constraints will impact on existing GP Primary care services and investment in new services and that this will make an impact on local people. Risk that of inadequate investment in primary care services beyond core GMS/PMS, APMS services . There is a risk that disinvestment in primary care services destablises them and residents lose the accessibility and continuity provided by primary care. This could also lead to reputational risks for the ICB, particularly for the LIS equalisation programme that the ICB have committed to and has been delayed.	12	4	5	20	9	Mar-25		Prioritisation process to be transparent and support the allocation of resources. Phasing of workstreams. Business cases to demonstrate value and good outcomes and ability of primary care to react quickly, be accessible to the local population, have a strong impact and provide continuity of care. Ensure this is backed up with good data. Communication with stakeholders to manage expectations. Ensure maximum efficiencies and value for money and assess any opportunities to release funding to where efficiencies can be made. Use technology to maximise productivity. Review of 23/24 primary care budgets.	Sarah See	Sarah See	Primary Care Contracts Sub Committee	Y			
PC20	20 December 2023	Primary Care Directorate	20	To enhance productivity and value for money	There is a risk that the financial constraints will impact on investment in new dental services and that this will have an impact on local people's access to dentistry and the oral health of the local population. Risk that the available recurrent underspend in GDS is used as a contribution towards the ICBs FRP, therefore no scope to commission additional access. This could also become a reputational risk to the ICB we are unable to repeat additional investment during 24-25 or fund other OH schemes	20	4	5	20	9	Sep-25	Additional Investment secured, non-recurrently, in 23-24	Review spend in 24/25, and deliver viable proposal to re-invest recurrnt resource (unspent)	Sarah See	Jane Lindo/ Jeremy Wallman	Primary Care Contracts Sub Committee; FPIC, COG	Y			
PC05	13 March 2023	Primary Care Directorate	9	Develop our NEL integrated care system	There is a risk that PCNs are not yet mature enough/able to develop rapidly enough to work in an effective way with the Place Based Partnerships impacting on development and delivery of Transformation, especially where PCNs are the delivery vehicle for transformation e.g Fuller and neighbourhood model. Risk of variability in PCN maturity and lack of accountability.	9	3	3	9	6	Mar-25	CD Development Programmes Support from Federations OD Programmes Regular PCN meetings PCN Strategic Infrastructure planning at NEL level completed and plans shared with PCNs All PCNs have Capacity and Access Plans agreed.	Ongoing PCN development and OD work being undertaken at place. PCNs have put in place Capacity and Access Plans and have received funding for this in order to work collectively to address issues around access and patient experience and share good practice and reduce variation. Places teams working with PCNs to review progress. Local dashboard is being used to highlight any issues with PCNs. System wide strategy and approach to be developed around role of PCNs and Federations.	William Cunningham-Davis	Heads of Primary Care	Primary Care Collaborative	N			
PC07	13 March 2023	Primary Care Directorate	9	To enhance productivity and value for money	There is a risk that service pathways are fragmented and incompatible, not integrated and not effective due to services not working in a joined up way. This may result in services that do not deliver required outcomes eg the issue with Same day Access across the system where local people continue to go round the system with multiple contacts.	9	3	3	9	6	Sep-24	Completion of initial primary care goverance review.	Workstreams in place to address the various aspects of the Fuller Report. Representation from all parts of the systems involved and working in partnership, particularly at local place level. Goverance to be revisited in the light of the restructure and staffing capacity.	William Cunngham-Davis	Heads of Primary Care	Primary Care Collaborative	N			
PC08	13 March 2023	Primary Care Directorate	9	Develop our NEL integrated care system	There is a risk to primary care, in terms of ICB support and timely and acurate payments, caused by lack of investment in training and reduction to ICB staffing budgets, resulting in an insufficient amount of primary care staff with the right skills to support delivery. Primary Care depends on specialist skills and knowledge and there is a risk of being able to recuit and ensure sucession planning for the future. There is also the risk of loss of clinical leadership due to loss of funding for Clinical Lead roles. Finally, there is the risk that if the culture and OD is not mature enough, this will impact on the ability to work in a matrix way to support the development of primary care.	9	4	3	12	6	Sep-24	Primary Care Team Away Day planned for Dec 23 to focus on priorities, objectives and ways of working	OD Programmes in place to ICB staff in Primary Care Commissioning and Improvement and Place Based Teams. Prioritisation of workload, ensure staff are clear on roles and priorities. Ensure all staff have clear objectives and appraisals, automation of functions where appropriate, to free up capacity.	Sarah See	Sarah See	CSTO	N		The previous PC08 (primary care staff training), PC010 staff reduction and PC11 - staff restructure have been consolidated as one risk	
PC09	13 March 2023	Primary Care Directorate	9	To improve outcomes in population health and healthcare	There is a risk that the quality and variation of coding in practices is not of a sufficient standard and will result in loss of income for GP practices and the inability of the ICB to effectively monitor impact/outcomes or planning, which risks investing in services that are not delivering the required outcome.	9	3	3	9	6	Apr-23	All PCNs have produced plans to improve accuracy of recording in appt books as part of their capacity and access improvement plans	An incentive scheme has been developed to encourage practices to adopt standardised methods of clinical coding. As part of their Capacity and Access Improvement Plans, practices will be required to produce plans to improve acuracy of recording in appointment books.	William Cunningham-Davis	Heads of Primary Care	Primary Care Contracts Sub Committee	N			

PC12	13 March 2023	Primary Care Directorate	16	Deliver High quality service for patients	The resilience, sustainability and viability of general practice and Primary Care is at risk due to reduced workforce, increased demand, quality issues and financial pressures which could result in morale deteriorating, premises becoming unaffordable/unviable and practices closing which will affect the ability of the wider Primary care system to deliver the Transformation required.	16	4	4	16	9	Mar-25	Surge planning guidance in place that can be applied by local systems to support their business continuity and preparedness plans. Expanded locum bank in place Additional access and capacity funding has been made available to PCNs. CPCS in place and well established.	Work is being undertaken to roll out cloud based telephony, increase the take up of online consultations, develop ehubs and move towards implementation of 'modern general practice'. This will help to improve efficiency and release capacity. Work is ongoing to ensure practices make optimal use of the CPCS and Pharmacy First to be rolled out. Suport offers through the Primary Care Recovery Plan to suport practices in managing demand and capacity. Support being given to practices identified as being most at risk, through SDF Resilence, workforce and Digital funding.	Sarah See	Deputy Directors of Primary Care	Primary Care Contracts Sub Committee	Y		Risk increased to 16	
PC13	13 March 2023	Primary Care Directorate	15	To tackle inequalities in outcomes, experience and access	Workforce risks. The risk that PCNs are not able to fully recruit to ARRS roles, and ensure that these are sustainable. There are also a number of GPs and nurses nearing the age of retirement and low GP and nurse patient ratios in most parts of NEL. There is a risk that workforce initiatives do not match the scale of the problem where recruitment and retention continues to be a challenge, leading to a continual reduction in capacity relative to growth and demand.	15	3	5	15	9	Mar-25	CD Development Programmes Support from Federations OD Programmes Regular PCN meetings PCN Strategic Infrastructure planning at NEL level completed and plans shared with PCNs Work taking place with the training hubs	NEL-wide GP Flexible Pools expanded GP Spin Programme continues GPN training and recruitment programme NEL Professional Development Framework Nursing - continued development and enhanced CPD GPN fellowships HCA training programme Hyper local plans in place to tackle areas of greatest workforce challenge.	Sarah See	Fiona Erne	Primary Care Collaborative	Y			
PC14	05-May-23	Primary Care Directorate	8	Develop our NEL integrated care system	Implementation of the contract changes/access recovery plans in 23/24 – Risk of capacity in the ICB primary care teams and general practice to deliver, Risk of buy-in and reception of changes by general practice and reputational risk.	8	2	4	8	4	Mar-24	Programme Plan for Access Recovery Plan in place with workstreams covering digital, interface, pharmacy, implementation of modern general practice etc	Task and Finish Group meeting regularly to oversee the implementation of the contract changes, with representation from central and place based primary care, digital, comms and Equip. Other Task and Finish Groups covering different workstreams such as Interface, prospective records access and direct referrals	Sarah See	Alison Goodlad	Primary Care Contracts Sub Committee	N			
PC18	30-Oct-23	Primary Care Directorate	12	Deliver High quality service for patients	GP Premises: The risk to the viability and sustainability of general practice and ability to provide patient care. Particular risk areas are in relation to service debt variability and practice debt and the impact on pratice viability, Planned increase in rents at NELFT properties, quality of property management and the impact on service provision and patient care, rent review backlog and impact on ICB finance, variation in support given to practices when relocating and having significant premises developments and moving to a standard NEL offer	12	3	4	12	8	Mar-25		Estates Steering Group set up to ensure robust oversight and management of the primary care estates premises budgets and ensure long term financial viability and resilience of practices in relation to premises costs and resolve issues relating to aged debt, appropriateness of service charge costs and quality of property maintenance. 4 workstreams have been establised.: 1. Service charge variability. 2. Quality of property management 3. Rent review backlog 4. Standardisation of NEL offer to practices going through relocation or other development	Sarah See	William Cunningham-Davies	Primary Care Delivery Group	Y			
PC21	20-Apr-24	Primary Care Directorate	12	To enhance productivity and value for money	Risk of Potential planned action: BMA letter dated18 April alerted ICB colleagues to the significant risk to the system, which may potentially ensue from any subsequent planned action following a BMA referendum regarding the the 24/25 contract in which 99% of those GPs that took part rejected the contract changes.	N/A	3	4	12	8	Sep-24		Any planned action is likely to take place from autumn at the earliest, following the outcome of a ballot over the summer. In the meantime, contingency plans will be put in place to ensure any activity not undertaken by GPs is undertaken by hubs or other alternative providers, depending on which providers are likely to take action. ICB to liaise closely with the LMC.	Sarah See	William Cunningham-Davies	Primary Care Contracts Sub Committee	Y			

NHS
North East London

Primary Care Contracts Sub-Committee

21 May 2024

Title of report	Committee effectiveness survey results
Author	Keeley Chaplin, Governance Manager
Presented by	For noting
Contact for further information	Keeley.chaplin@nhs.net
Executive summary	It is good practice to undertake a review of the effectiveness of the ICB's committees and this will be undertaken annually going forward. This will enable the ICB to ensure that its governance arrangements remain fit for purpose.
Action / recommendation	• Committee members are asked to note the results of the recent committee effectiveness survey. • To agree next steps in terms of future improvements as to how the committee operates in future.
Previous reporting	None
Next steps/ onward reporting	Comments will be considered in future planning and key themes will be included in the ICB's annual report.
Conflicts of interest	N/A
Strategic fit	N/A
Impact on local people, health inequalities and sustainability	N/A
Has an Equalities Impact Assessment been carried out?	No
Impact on finance, performance and quality	Well run and effective committees support good decision making and improvement in relation to finance, performance and quality.
Risks	That the learning from the survey and further discussion is not taken on board, missing the opportunity to improve.

1. Introduction

Each year ICB committee members are asked, through a survey, to share their views on the effectiveness of their committees, reflecting on what went well and what could be improved. This is done to inform future development of the committees and a summary of the results are included in the annual report. The number of respondents was limited but will still provide useful feedback to consider in terms of what to build on, change and develop for the new financial year.

2. Summary of overall comments on committee effectiveness

2.1 Things that went well:

- Lots of work undertaken during difficult, uncertain times
- Partnership and collaborative spirit has held.

2.2 What hasn't worked so well:

- Join up of governance not always clear - what needs to go where first, and also the multiple places where things need to go.

2.3 Other comments:

- Governance team have been very supportive and flexible, in recognition of challenging times.
- Sometimes single, better steer from the ICB and EMT is required - as this brief can be opposing depending on who you speak with, and can also cause lots of extra works and delays in meeting the deadlines.

3. Next steps

These comments will be considered in terms of future improvements as to how the committee operates in future.

19 April 2024

NHS North East London

Primary Care Contracts Sub-Committee

21 May 2024

Title of report	GP Contracts Update Report
Author	Abdul Rawkib
Presented by	Presented for information only
Contact for further information	a.rawkib@nhs.net
Executive summary	The purpose of this report is to provide the Committee with updates on the contract changes that have been agreed; contractual actions taken, and the progress of practices making improvements in response to remedial breach notices.
Action / recommendation	For noting
Previous reporting	N/A
Next steps/ onward reporting	N/A
Conflicts of interest	N/A
Strategic fit	N/A
Impact on local people, health inequalities and sustainability	N/A
Impact on finance, performance and quality	N/A
Risks	N/A
Appendices	-

1.0	**CQC Inspection Outcomes and Actions**
1.1	**City Square Medical Group (Tower Hamlets)** City Square Medical Group was issued with a Remedial Notice in February 2024 following the Inadequate CQC rating. The practice was required to submit an action plan addressing the concerns raised by the CQC in March. The action plan was reviewed by the relevant Subject Matter Experts (SMEs), who included members of the Medicines Optimisation Team (MOT) and Quality Team (QT). The practice was required to provide assurance on 30 remedial actions. Following the review by relevant SMEs, the practice managed to satisfy 29 actions and a follow up response was required for one action in relation to recruitment checks. The practice provided a subsequent response at the end of April which is currently under review. Following the review the practice will be notified if the requirements of the breach notice have all been satisfied by the end of May.
1.2	**Suttons Wharf Health Centre (Tower Hamlets)** Suttons Wharf Health Centre was rated Requires Improvement (RI) in January 2024 and was required to submit an action plan in April to address the issues highlighted by the CQC. The practice submitted a response which demonstrates progress since the last CQC inspection, therefore commissioners will be taking no further action and will continue to monitor progress.
2.0	**Contract Extensions**
2.1	**The Greenhouse Practice (City and Hackney)** The Greenhouse Practice provides primary medical services to the homeless population. In October 2021 the APMS contract was varied to include an Enhanced Outreach Provision pilot project until 31 March 2024, for a total of £579,372. On 28 March 2024 the Investment Review Group (IRG) approved the extension of the pilot project for a further 12 months until 31 March 2025. Value of extension is £232,000.
2.2	**Aldersbrook Medical Centre (Redbridge)** The APMS contract held by Richmond Road Medical Centre has now been extended to 31 March 2025 to support the approved commissioning intention for the practice to be commissioned as an additional site to an existing GMS/PMS contract.
3.0	**Boundary Changes**
3.1	The following practices applied to change their practice boundary and these have been approved by the relevant local fora:

Place	Practice Name	Date Approved by Local Fora	Effective Date of Change
Tower Hamlets	Tredegar Practice	19 March 2024	1 April 2024
Tower Hamlets	Ruston Street Practice	16 April 2024	1 May 2024

Place	Practice Name	Date	Effective Date
City and Hackney	Lower Clapton General Practice	2 February 2024	Subject to relocation go-live date
City and Hackney	Queensbridge Group Practice	25 March 2024	1 April 2024

4.0 Remedial & Breach Notices

4.1 **Dewey Surgery, Oval Road Surgery & Laburnum Health Centre (B&D)**

An IG Breach notification was issued to all three practices with regards to the handling of patient information data. This is ongoing with the expectation that the practices should report the incident on compliance with Information Commissioner guidance.

4.2 **Grove Surgery (Waltham Forest)**

An Infection Prevention Control (IPC) audit was undertaken in April 2024. The practice was found as non-compliant in several areas including vaccine storage, infection control and premises. This is a breach of contract and capable of remedy. A remedial notice is appropriate to be issued and approved by the relevant local fora.

A follow-up IPC audit will take place in October 2024, which the practice is required to be fully compliant to satisfy the remedial notice.

5.0 PMS Partnership Changes

5.1 The following practices underwent partnership changed and were approved:

Place	Practice Name	Type of Change	Effective Date of Change
Waltham Forest	Wood Street Practice - Dr RP Dhital	Addition of non-clinical partner	1 May 2024
Waltham Forest	Addison Road Medical Practice	Retirement of Clinical Partner	15 May 2024

6.0 Practice relocation

6.1 **Glen Road Medical Centre (Newham)**

Glen Road Medical Centre merged with Cumberland Medical Centre in August 2022, which was approved by the then Primary Care Commissioning Committee in January 2022. As part of this merger, it was agreed that Glen Road would be the main site and the Cumberland site would operate as a branch site.

It was the intention to consolidate the sites either onto a new development or onto the Glen Road site, as the lease at the Cumberland site is due to expire in March 2025. The practice is currently experiencing issues with the Cumberland site that require an earlier relocation.

A business case has been approved by the Newham Transformation Group with the QIA and EQIA also approved.

6.0	**APMS Contract Mobilisation update:**
6.1	The T1 APMS procurement programme has now been completed with all contracts awarded commencing on the 1 April 2024. 1. Victoria MC & 5 Elms MC (B&D) – East London Foundation Trust 2. Rainham HC & Upminster MC (Havering) – East London Foundation Trust 3. Becontree MC (B&D) – Sunrise Medical Centre 4. Beam Park (B&D) – Addison Road Medical Centre 5. The Firs Surgery (WF) – Addison Road Medical Centre 6. The Forest Surgery (WF) – Addison Road Medical Centre

NHS North East London

Primary Care Contracts sub-committee

21 May 2024

Title of report	Item for information: Redbridge – Aldersbrook Medical Centre
Presented by	For information only
Executive summary	This information item provides some background to item 6 on the agenda. • Report to the NEL Primary Care Contracts Committee held on 12 December 2023 • Joint Statement on Aldersbrook Medical Centre
Action / recommendation	For information only
Previous reporting	N/A
Next steps/ onward reporting	N/A
Conflicts of interest	None.
Strategic fit	
Impact on local people, health inequalities and sustainability	
Has an Equalities Impact Assessment been carried out?	
Impact on finance, performance and quality	
Risks	

To support the verbal update in item 6 of the agenda, attached is the report presented to the NEL Primary Care Contracts sub-committee held on 12 December 2023.

The joint statement on the outcome position published on the NEL ICB website (www.northeastlondon.icb.nhs.uk) can be viewed on this link.

North East London

ITEM FOR INFORMATION ONLY – REPORT PRESENTED TO THE MEETING HELD IN DECEMBER

Primary Care Contracts Sub-committee

12 December 2023

Title of report	Redbridge – APMS Contract Options F88731 Aldersbrook Medical Centre
Author	Tony Curtis – Senior Primary Care Commissioning Manager
Presented by	Gohar Choudhury, Assistant Head of Primary Care
Contact for further information	Anthony.curtis@nhs.net
Executive summary	Aldersbrook APMS contract is due to expire on 31 March 2024 following the initial 5 years, within the contract there is the ability extend for a further five years until March 2029. The current NEL policy for APMS practices that are still on the old Londonwide contracts is to equalise the contract to bring APMs in line with GMS at the extension point of the contract The current provider has indicated that they are currently running at a loss of circa £93k per annum and have provided figures to demonstrate this. They have stated that they cannot sustain the current position and cannot accept taking a further reduction of circa £53k that an equalised contract would offer. This is an APMS contract with a low list size in a geographically isolated area. When commissioned in 2019, the contract was offered with a supplementary payment to make the contract viable. This supplement was time-limited and linked to an expected growth in the list, which has not been realised. The contract was previously procured because there were significant access issues caused by its geographical position, surrounded by parts of Epping Forest. As part of the previous commissioning options under Redbridge CCG, interest in taking the practice on as a branch site was sought from local practices, but no interested parties were identified. However, the geographical spread of the ICB offers a wider scope for this option in other surrounding Place areas, such as Newham and Waltham Forest. The current provider inherited a contract that had previously been placed into Special Measures by the CQC. The patient relationship with the previous provider was very poor with a confrontational environment.

	Since taking over, the current provider has made excellent improvements and the relationship with patients is cooperative and supportive, the practice is also now rated GOOD in all areas. If the contract is extended by another 5 years to 31 March 2029, the NEL policy would normally be to offer it on an equalised basis and not the Londonwide offer. The equalised annual global sum contract is valued at £452k. The difference between the current global sum value, £505k, and the equalised contract is - £53k. The current provider has indicated financial difficulties since the cessation of the income support supplement and therefore does not see themselves in a position to accept an equalised contract that carries further financial loss. Dispersal of the list could have a significant impact on the patients registered at the practice due to the isolated geographical location of the practice. There are six potential options for consideration to determine the commissioning intentions for this contract. 1. Do nothing 2. Continue with current funding with support supplement 3. Move to an equalised APMS contract price 4. Move list into an existing GMS/PMS contract as a branch / satellite site 5. Disperse the list 6. Do not extend the contract and reprocure This report has been to both Redbridge Borough Partnership and the BHR Integrated Care Partnership Management Group that have agreed to endorse the approach for Option 4 and, if unsuccessful, as a second preference Option 2. The Committee will note that from 1 January 2024 the Provider Selection Regime (PSR) will come into force, replacing the current legislation and guidance (Public Contracts Regulations (PCR)). The PSR will allow for a more flexible and proportionate process for selecting healthcare providers so that decisions are made in the best interest of the people who uses the services. Any procurement requires the Commissioner to meet four core principles and allows the Commissioner to identify a selection process that is applicable for the service commissioned.
Action required	The Committee is asked to approve option 4 to move the list to a GMS/PMS practice as a branch/satellite practice as this is the most cost-effective option. It may create a level of disruption to service through a change of service provider but has LMC support. If Option 4 (seek expressions of interest to move to an existing GMS/PMS contract as a branch site) is not successful, the

	Committee is also asked to approve Option 2 (continue with current APMS funding with support supplement as the alternative. This approach for the options has been supported and endorsed by Redbridge Borough partnership and the BHR Integrated Care Partnership Management Group.	
Practice Details (where applicable)	Practice name:	Aldersbrook Medical Centre
	Contract Type:	APMS
	Site address:	65 Aldersbrook Road, Manor Park, London E12 5DL
	List Size:	Raw (at July 2023) 4633 Weighted (at July 2023) 4130.02
	No of partners:	1
	Current CQC Rating:	Good
	PCN Details:	Wanstead & Woodford
Previous reporting	The Aldersbrook APMS contract options report has been to both Redbridge Borough Partnership and the BHR Integrated Care Partnership Management Group in November and have agreed to endorse the approach for Option 4 and, if unsuccessful, as a second preference Option 2	
Next steps/ onward reporting	Subject to approval, and the new PSR (full guidance still expected) – • expressions of interest will be sought for taking on Aldersbrook Practice as a branch site. • If unsuccessful, negotiations will take place with the current provider on current funding offer. The contract provides a clause giving provision to extend the contract for another 5 years until 31 March 2029.	
Conflicts of interest	All GP members of the Committee are conflicted	
Strategic fit	• To improve outcomes in population health and healthcare • To tackle inequalities in outcomes, experience and access • To enhance productivity and value for money	
Impact on local people, health inequalities and sustainability	Failure to provide services close to the community will have an adverse effect on access and delivery to patients in a geographically isolated community.	
Impact on finance, performance and quality	Option 4 – Initial cost of up to £100k for transitional period then GMS global sum payments only. A saving of £20k pa compared to the APMS equalised contract price (see below), as the APMS risk payment will not be applicable. Option 2 - Current contract with Price Support Supplement – Additional cost of up £190k pa	
Risks	The current provider has indicated financial difficulties since the stopping of the income supplements and are therefore unlikely to accept an equalised contract that carries further financial loss.	

1.0 Introduction

1.1 The Aldersbrook Medical Centre APMS contract is currently held by Richmond Road Medical Centre (a GP practice based in Hackney) and it is due to expire on the 31st March 2024.

1.2 The APMS contract provides a clause to extend the contract for another 5 years until 31st March 2029.

1.3 The current NEL policy for APMS practices on the old Londonwide contract is to equalise the contract in line with GMS contracts at the extension point of the contract. However, the current provider has stated that they are currently running at a loss of circa £93k per annum.

1.4 They have stated that they cannot sustain the current financial position. If the contract is then moved to an equalised APMS contract this will mean a further reduction of circa £53k in the contract value.

2.0 Aldersbrook Medical Centre Background

2.1 The practice is situated on the Aldersbrook Estate which is an isolated geographical community as it is surrounded by Wanstead Flats to the south and west, Wanstead Park to the north and The City of London Cemetery to the east.

2.2 The practice is located within a converted residential property and the landlord is NHS Property Services. The practice was considered for closure in 2012, however, there was significant local opposition to this.

2.3 The main themes of the opposition were the loss of a local service and that accessing other services was perceived to be more difficult because of the natural barriers caused by Wanstead Flats, Wanstead Park and the cemetery.

2.4 There are nine practices within a one mile radius, all of which are Newham Practices. In extending the search to 1.5 miles there are a further eight Redbridge practices.

2.5 The commissioner at the time accepted that the continuation of Aldersbrook Medical Centre was necessary and procured it as an APMS practice. The main criteria being the significant access issues identified in this area caused by its geographical position. The natural barrier caused by the A406 is such that access to any other ICB practice is problematic for patient access. This is shown at Annex A.

2.6 The issues which isolates this community remain and therefore it is identified that the need for the service also remains valid.

2.7 As part of the previous commissioning options under Redbridge CCG, interest in taking the practice on as a branch/satellite site was sought, but no interested parties were identified.

2.8 At that time, only Redbridge practices were approached. However, with the wider geographical area now covered by the ICB, this allows for the possibility of other surrounding Place areas taking the practice on as a branch, such as Newham and Waltham Forest.

2.9 The nearby practices have been approached to scope whether there would be interest in a branch site at Aldersbrook. The initial feedback shows that this option could generate interest.

3.0 Current Provider – Practice performance

3.1 The current provider inherited a contract, in April 2019, that had been placed into Special Measures by the CQC. The patient relationship with the previous provider was very poor which led to confrontational environment.

3.2 Since Richmond Road Medical Centre took over, they have made excellent improvements and the relationship with the patients is strong and supportive with cooperative working.

3.3 As stated, overall there has been a marked improvement in practice performance since the current provider took over the contract in 2019. The practice is performing very well. A detailed performance report is included in Annex B.

3.4 At the last CQC inspection in July 2022, the practice was assessed as GOOD across all areas inspected.

Table 1

Safe	**GOOD**
Effective	**GOOD**
Caring	**GOOD**
Responsive	**GOOD**
Well-led	**GOOD**
Overall	**GOOD**

3.5 This indicates the level of improvement as the practice took over a practice that had significant performance issues and had lost the confidence of its patients.

3.6 The last GP Patient Survey results of 2022 were above average. And there are no reported issues of concerns.

Table 2

Survey Questions	Practice average	ICS Average	Above/Below ICS Average
Overall Experience % of patients that describe their overall experience of this GP practice as good	**72%**	66%	ABOVE
Satisfaction % of patients that are satisfied with the GP practice appointment times available	**58%**	53%	ABOVE
Receptionists % of patients that find the receptionist at this GP practice helpful	**83%**	74%	ABOVE
Telephone % of patients that find it easy to get through to this GP practice by phone	**67%**	50%	ABOVE
Your Last Appointment % of patients that "felt their needs were met during their last general practice appointment"	**90%**	87%	ABOVE

4.0 APMS Contract and Finance

4.1 The contract is currently commissioned under the Londonwide offer, which is not equalised. The current global sum contract value, including KPIs is valued at £505,432 (£117.03 pwp plus KPIs at £5.35 pwp).

4.2 The contract was originally commissioned with an Income Support Supplement, which is no longer applied in line with the initial contract values.

4.3 If the contract is extended by another 5 years to 31st March 2029, it would normally be offered on an equalised basis and not the Londonwide offer, which is the current policy for NEL. The equalised global sum contract is valued at £452,072 (£104.46 pwp plus APMS premium at £5.00 pwp). The global sum difference between the current value (£505,432) and the equalised contract is -£53,360.

Table 3

Current Price per weighted patient	£122.38
Current contractual Global sum value	**£505,432**
Equalised contract price per weighted patient	£109.46
Equalised contract global sum value	**£452,072**
Raw/Registered List Size at July 2023	4,633
Weighted List Size at July 2023	4,130.02

4.4 The current provider has already stated that they are experiencing significant running costs pressures for such a small list. As the location is isolated there is no substantive potential for growing this list any further.

4.5 The provider has faced more financial difficulties since the cessation of the income support supplement and therefore do not see a position for them to accept an equalised contract that carries further financial loss.

4.6 Richmond Road Medical has provided annual income and costs for running the Aldersbrook contract, including all the staff as follows –

Table 4

APMS Income 23/24		
Global sum (£117.03 pwp plus KPIs £5.35pwp)	505,432	
Less OOH opt out	- 18,337	
QOF	47,986	
Enhanced Services	8,900	
		543,981
Practice running costs 23/24		
GP costs (19 sessions per week)	333,917	
GP Locum costs (25 days cover)	15,000	
Nurse and HCA	75,878	
Admin and management	143,319	
Premises service costs	42,770	
Other running costs	26,141	
		637,025
Financial shortfall 23/24		**- 93,044**

4.7 The above excludes reimbursable elements such as rent and rates.

4.8 If the contract is moved onto the equalised APMS value then the global sum is reduced to £452,072. The projected financial shortfall detailed in Table 4, would then increase to £146,404

4.9 The provider has stated that they cannot sustain the current financial position and if the contract is then moved to an equalised APMS contract, they will have to terminate the contract.

5.0 Moving to a Branch Site of a GMS/PMS Practice

5.1 From 1st January 2024 the Provider Selection Regime (PSR) will come into force, replacing the current legislation and guidance (Public Contracts Regulations (PCR)). The PSR will allow for a more flexible and proportionate process for selecting healthcare providers so that decisions are made in the best interest of the people who uses the services.

5.2 Any procurement will require the Commissioner to meet four core principles and allows the Commissioner to identify a selection process that is applicable for the service commissioned. Annex C contains extracts for the procurement principles and the routes for provider selection.

5.3 The PSR allows the allocation of a list as a branch site, but still open to challenge by the 'market'. This is a process that would need to be guided by the Procurement Team as the full guidance is due to published In January.

5.4 We would expect that a small patient list and contract offer, the lack of potential list growth of this practice would significantly reduce the possibility of challenge.

5.5 As stated in this report, a previous attempt to identify a practice within just the Redbridge CCG area to take on the site met with no success. Therefore, we would expand the area and include practices further out including other boroughs within NEL. The Primary Care Team have done some initial soundings of potential practices with indications of interest.

5.6 Allocating the current APMS list as a branch/satellite to an existing GMS/PMS contract has many positives, including;

a. Saving of £5 per head with the removal of the APMS risk payment.
b. Provide stability to the service with no further procurement requirements or associated costs.
c. The LMC have stated they would be supportive of such a move

5.7 Subject to the final guidance and clarification, the proposal would be to seek expressions of interest from practices within the ICB following an agreed and suitable process in line with Provider Selection Regime (PSR) guidelines to identify the most suitable interested party to award the list.

5.8 The detailed PSR guidance is expected to be published in early January; this should mean the timeline to complete appointing a new practice by end of March is achievable. However, the current provider is open to a short-term extension should there be a delay in the process.

6.0 Options

6.1 There are a potential six options for consideration to determine the commissioning intentions for this contract.

6.2 **Option 1 –** Do nothing

This is not an option as the contract will end and service provision for these patients must be continued to meet the ICB's statutory duties.

6.3 **Option 2 -** Remain with the Londonwide contract with additional supplement

6.3.1 Extending the contract under current Londonwide APMS terms for a further five years, still leaves the provider with a shortfall of £93k per annum. For the current provider to remain an income supplement would be required to cover the identified shortfall and a reasonable profit margin.

6.3.2 For a small contract such as this, the expected profit margin would be between 12% and 15%. This would mean additional funding of between £76k and £95k per annum. Taking account of the income shortfall the total income supplement would need to be between £170k and £190k per annum.

6.3.3 If this option is pursued the profit margin will need to be negotiated and agreed with the current provider.

6.3.4 If the current provider agrees to this option then this will assure the continuation of a good local service provider that has improved service quality, practice performance and built good patient and stakeholder relationships.

6.3.5 This option of remaining with the Londonwide offer APMS with income supplement would avoid short to medium cost pressures caused by possible higher caretaking and procurement costs.

6.3.6 However, the income supplement is an additional cost and the APMS contract will have no further extension period after the five year period. Therefore, the Commissioner will have to address the same issues at that point.

6.4 **Option 3** – Move to an equalised APMS contract price

6.4.1 The current provider has indicated that it would not be willing to accept an extension based on moving immediately to the equalised price, given the fact that they are already running at a loss.

6.5 **Option 4** - Seek expressions of interest from local practices with a view to take on the service and site as a branch to an existing GMS/PMS contract.

6.5.1 The ICB, as the Commissioner, will be able to seek expressions of interest from local practices and borough boundaries are no longer perceived obstacles, as the ICB area covers the whole of North East London.

6.5.2 Within a 1.5 mile radius of Aldersbrook Medical Practice, there are 17 practices located within Newham, Redbridge and Waltham Forest. An initial scoping exercise

with some local practices has shown that there would be interest in a branch site option.

6.5.3 The Commissioner would need to work with the new practice to ensure that there is continuity of services and quality is developed and maintained. This option will need the incoming practice to review their operating model, workforce and infrastructure of their sites including Aldersbrook.

6.5.4 The commissioner would then need to agree an action plan with the incoming practice to have the assurance of stability of services and quality in Aldersbrook. In addition good patient engagement will be required to give confidence that services will continue without interruption.

6.5.5 There will be some short-term costs for the ICB when transitioning across to GMS global sum rates, to ensure that the incoming practice is not destabilised and has time to incorporate Aldersbrook appropriately. It would be envisaged that this should not take more than 9 months. GMS global sum rates would apply after this agree period. There would be no requirements for re-procurement, as dictated by the APMS contract.

6.5.6 The Londonwide LMC has provided positive feedback and support for this as an option.

6.5.7 Although patients would experience some disruption when the changes were made this would provide continuity in the long run and would not require a procurement in 5 years' time.

6.6 **Option 5 -** Dispersal of list

6.6.1 It is estimated that many of the closest practices may have capacity to absorb this practice list.

6.6.2 However, list dispersal would not be the best option for the practice as this would cause disruption to patients who would have issues in accessing services at other practices, due to the geographical barriers mentioned in this report.

6.6.3 The contract would need to be extended for 3 – 6 months or a caretaker commissioned while appropriate engagement takes place along with undertaking local capacity audits with local general practice.

6.6.4 This will require additional costs, including the APMS supplement mentioned above (Option 2) or expensive caretaking costs.

6.6.5 Dispersal of the list would have significant impact on neighbouring practices, which could affect Primary Care delivery due to the geographical location of the practice and no other ICB practices within close proximity. Due to the geographical restrictions, patients would find increased difficulties in accessing services if dispersed.

6.7 **Option 6 -** Do not extend the contract and reprocure under an equalised APMS contract.

6.7.1 Procuring this practice under the equalised APMS terms will take 9 to 12 months as a minimum. For this timeframe, inclusion of this contract within the next

upcoming NEL tranche of APMS procurements must be considered, which would mean further delay.

6.7.2 Caretaking arrangements would need to be put in place until a new APMS contract could be procured. There will be a cost implication for both the caretaking contract and procurement.

6.7.3 If this option was approved there would be a need for an income supplement for the proposed new contract.

6.7.4 This would then allow the new provider to rationalise and produce savings. However, if there were to be redundancy costs, it is very likely that the commissioner would have to under-write those costs.

6.7.5 Due to the small list size with little potential for growth and the financial shortfall, a procurement for this practice has a very high risk of failing. When procured in 2018, the interest was very limited.

7.0 Conclusion / Recommendations

7.1 The need for a service in the area has been previously established and those factors have not changed since the contract was procured.

7.2 The option to move the list into an existing GMS/PMS practice as a branch site is the most cost-effective option and in the long term would provide stability for patients. It would however require the ICB to work with the incoming practice to ensure that quality is maintained and disruption to patients and services kept to a minimum.

7.3 It is therefore recommended that Option 4 (seek expressions of interest to move to GMS/PMS) is the preferred option to be approved by the Committee.

7.4 This option will require some non recurrent funding above global sum for a transitional period of up to 9 months. (approximately £100k in total).

7.5 If Option 4 is unsuccessful in appointing a local practice then Option 2 (continue with current APMS funding with support supplement) is the recommended 2nd option.

7.6 The above approach and options have been endorsed by the Redbridge Partnership Board and the BHR Integrated Care Partnership Management Group.

8.0 Attachments

Annex A – Map indicating the geographical location of Aldersbrook
Annex B – Practice performance review data.
Annex C – Provider Selection Regime NHSE extract

Tony Curtis
Senior Primary Care Commissioning Manager

North East London

Annex A – Geographical Location – Barriers to Access

Annex B

NHS North East London

REDBRIDGE
ALDERSBROOK MEDICAL CENTRE – F86731
SHORT PERFORMANCE REPORT
Jan 2023

PRACTICE PERFORMANCE AND ACHIEVEMENTS

QOF – Total achievement - The practice achieved below the England and ICB average maximum points for 2021/22.

(Source of data QOF search | NHS Digital)

Financial year	Practice achievement - Total QOF scores	QOF %	Above or Below the England average
15/16	517 / 559	92%	ABOVE
16/17	548 / 559	98%	ABOVE
17/18	532.27 / 559	95%	ABOVE
18/19	482 / 559	86.2%	BELOW
19/20	556.73 / 559	99.59%	ABOVE
20/21	N/A	N/A	N/A
21/22	527.15 / 635	83.02%	BELOW

Total Clinical Domain achievement – The practice achieved below the England and ICB average maximum points for 2021/22.

(Source of data http://www.qof.hscic.gov.uk/search/index.asp)

Financial year	Practice achievement – Clinical domain achievement / out of the total points available	Clinical domain achievements%	Above or Below England average
15/16	393 / 435	90%	ABOVE
16/17	424 / 435	97.6%	ABOVE
17/18	408 / 435	94%	BELOW
18/19	358 / 435	82.2%	BELOW
19/20	371 / 379	99.51%	ABOVE
20/21	N/A	N/A	N/A
21/22	357.15 / 401	89.06%	BELOW

Clinical Domains below ICB average Years 17/18, 18/19, 19/20, 20/21 & 21/22:

Clinical Domains 4 out of 19	Clinical Domains 9 out of 19	Clinical Domains 0 out of 19	Clinical Domains – N/A	Clinical Domains 5 out of 19
17/18	18/19	19/20	20/21	21/22

Clinical Prevalence below ICB average Years 17/18, 18/19, 19/20, 20/21 & 21/22:

Clinical Prevalence 17 out of 19	Clinical Prevalence 10 out of 19	Clinical Prevalence 8 out of 19	Clinical Prevalence 6 out of 19	Clinical Prevalence 7 out of 19
17/18	18/19	19/20	20/21	21/22

Vaccination, Immunisations and Screening (Source of data NHS England)

Childhood Immunisations – National Target 90% - Practice has achieved National Target for 5 year olds in 2021/22.

Childhood Immunisation type	Year	Performance Achievement (%)	Above / Below the National Target
2 year olds	2019/20	**93.3%**	ABOVE
	2020/21	**64.1%**	BELOW
	2021/22	**63.9%**	BELOW
5 year olds	2019/20	**92.9%**	ABOVE
	2020/21	**92.9%**	ABOVE
	2021/22	**90.0%**	ABOVE

Flu Immunisations (over 65s) – National Target 75% - Practice has NOT achieved the National Target in the last 5 financial years.

Year	Performance (in %)	Above / Below the National Target
17-18	60.5%	BELOW
18-19	63.4%	BELOW
19-20	70.1%	BELOW
20-21	70.1%	BELOW
21-22	N/A not extracted from ImmForm	N/A

Cervical Screening– National target 80% - Practice has NOT achieved the National Target in the last 5 financial years.

Year	Practice Achievement (%)	Above / Below the National Target
17-18	**70.2%**	BELOW
18-19	**69.3%**	BELOW
19-20	**71.1%**	BELOW
20-21	**70.6%**	BELOW
21-22	**71.9%**	BELOW

Care Quality Commission (CQC) report (Source of data https://www.cqc.org.uk/location/1-1488530916)

Practice was inspected on 6 & 11 July 2022 and assessed overall as "GOOD":

Results of inspection

Safe	GOOD
Effective	GOOD
Caring	GOOD
Responsive	GOOD
Well-led	GOOD
Overall	GOOD

Date of report	**05/09/2022**

PRACTICE PROFILE AND DEMOGRAPHICS

Contract type:

APMS

GP: Patient ratio
(Source of data – NHS Digital) Microsoft Power BI

GP count in practice	FTE	Most recent patient list size	Patient per GP
5	1.7	4586	917

Practice list size
(Source of data- practice list sizes from Open Exeter)

	January	April	July	October
2016	3788	3790	3793	3798
2017	3809	3827	3842	3835
2018	3860	3837	3815	3813
2019	3768	3756	3790	3810
2020	3835	3887	3890	3969
2021	4028	4093	4215	4261
2022	4330	4372	4484	4530

Access / Opening Hours – <u>The practice provides 100% of core hours</u> (total 52.5 hours out of 52.5 hours) Source of data NHS UK
http://www.nhs.uk/Services/GP/Overview/DefaultView.aspx?id=44701

Days	AM	PM
Monday	08:00	18:30
Tuesday	08:00	18:30
Wednesday	08:00	18:30
Thursday	08:00	18:30
Friday	08:00	18:30
Saturday	09:00	13:00

GP Patient Survey 2022 – (Source of data - http://www.gp-patient.co.uk/**)**

• Survey Questions	• Practice average	• ICS Average	Above/Below ICS Average
• **Overall Experience** % of patients that describe their overall experience of this GP practice as good	**72%**	66%	ABOVE
• **Satisfaction** % of patients that are satisfied with the GP practice appointment times available	**58%**	53%	ABOVE
• **Receptionists** % of patients that find the receptionist at this GP practice helpful	**83%**	74%	ABOVE
• **Telephone** % of patients that find it easy to get through to this GP practice by phone	**67%**	50%	ABOVE
Your Last Appointment % of patients that "felt their needs were met during their last general practice appointment"	**90%**	87%	ABOVE

Family and Friends Test (FFT) – Breakdown of results (Source of data November 2022

- http://www.england.nhs.uk/ourwork/pe/fft/friends-and-family-test-data/**):**

Practice Code	Name	Practice List Size	Total Responses	Percentage Recommended	Percentage Not Recommended
F86731	**Aldersbrook Medical Centre**	4,530	N/A	N/A	N/A

Regulation 4

Procurement principles

NHS England

The procurement principles require relevant authorities to act:

1. with a view to **secure the needs of the people who use the services**, including through integrated service delivery
2. with a view to **improve the quality of the services**, including through integrated service delivery
3. with a view to **improve the efficiency of the services**, including through integrated service delivery
4. **Transparently, fairly, and proportionately.**

Making a Decision

Relevant authorities must identify which provider selection process is applicable for the health care service they are arranging.

The processes are:

- **Direct award processes: A, B, and C**
- **The most suitable provider process**
- **Competitive process**