

Conflicts of Interest and the Kent & Medway NHS new Integrated Care Board

A RECIPE FOR PRIVATISATION



by Carly Jeffrey

As of July 1st 2022, a major restructure of the NHS in England has taken place. Locally, it means the Kent and Medway controlling committees have been swept away and a complex new system has been hurriedly set up.

To summarise, until July, the Kent & Medway CCG (Clinical Commissioning Group) made decisions about what NHS services were available, who provided those NHS services and who could be cared for. CCGs were comprised of senior doctors, nurses and NHS administrators.

Now we have “Integrated Care Systems”, and they are overseen by a board of directors in each area that includes providers of services to the NHS. The official name for these new boards of directors in each area is Integrated Care Boards (ICBs). I attended two recent meetings (meetings held in public) of the Kent & Medway ICB on the 1st and the 5th of July.

Conflicts of Interest

Campaigners have long been concerned about providers’ representatives being allowed to sit on these decision-making boards. Providers to the NHS include private companies, so how can it be acceptable to have their people sitting on committees where decisions are made that could benefit their businesses and allow them to push for increased privatisation? Many have seen this as a recipe for conflicts of interest and the putting of profit before people. So, are there any conflicts of interest on the new Kent and Medway ICB?

Yes there are.

Firstly, there’s **Liz Butler**. She is a non executive director at Connect Health Ltd, who are a private provider of musculoskeletal and other services (physiotherapy, mental health, pain management, rheumatology). They currently hold contracts to supply services to the NHS in Kent and many other areas across England. On April 6th 2022, I wrote to the director of Connect Health Ltd, Andrew Walton, asking a number of questions. One of them was “in your accounts for the financial

year 2020/21, it shows that Connect Health Ltd paid £3.6 million (£3,658,237) in dividends to shareholders, is that correct?” I also asked about their safety standards, if any of their profits were reinvested into their service, and who their largest shareholders are. The letter was sent both by post and submitted via a webform on their website. Four months later I received no reply.

This is one of the problems with private health providers – they are under no obligation to answer enquiries about how they use the public funds they receive, and therefore are unaccountable to the public.

If it is correct that Connect Health Ltd are drawing profits of that size from their work for the NHS and not reinvesting, it is an example of how companies have been setting up shop to make money from the NHS, while the NHS itself struggles with underfunding of core and frontline services and a lack of staff. It shows how public money is being drained out of the NHS and ending up in the bank accounts of investors. We should be moving away from this model that rewards profit-making companies, and not placing their representatives on the boards that control how the NHS is run.

Cost cutting

Connect Health has received investment from private equity firm Lloyds Development Capital. This means that investment bankers will also be profiting from the growth of Connect Health Ltd. Connect Health also boasts of its ability to “reduce costs in secondary care”. The pattern of behaviour in recent decades tells a story of cost-cutting in private NHS provision that leads to safety failures, a shrinking of services and sometimes companies that collapse and then leave the NHS footing the bill. In light of this, claims of reduced costs suggest corner-cutting to create profits for investors rather than positive efficiency savings for the NHS.

Connect Health will be looking to expand and grow its business opportunities – that’s what limited companies with shareholders are required to do. How can it be acceptable to switch to a system where running the NHS is devolved to 42 boards that are peopled with proxies of private health companies instead of NHS clinicians?

A freedom of information request revealed that NHS Kent and Medway paid Connect Health Group Ltd £1,794,659.54 between 1st April 2020 and 30th June 2022. That’s just shy of £1.8 million.

Liz Butler is also the recipient of a Price Waterhouse Coopers (PwC) pension, and was an audit manager for the firm. PwC has long been known to dominate the list of approved private providers to the NHS and is seen as part of the NHS privatisation machine due to its “revolving door” with UK health policy decision-makers, frequent involvement in NHS ‘restructuring’

and private finance initiatives and refining the language of privatisation reforms into more palatable rhetoric about “patients choice” and a “safer, sustainable future of healthcare.” Butler has also acted as chair of three NHS bodies, including Lewisham & Greenwich NHS Trust from 2010-2017, during the period when campaigners battled to stop the closure of Lewisham’s A&E and maternity unit. The closure plans were eventually defeated in court and shelved in 2013.

I asked at the initial ICB meeting how conflicts of interest would be handled. I was told that the board member concerned might be asked to leave the room during discussions where a conflict of interest might arise; might be asked not to comment during specific discussions; might be barred from voting on the issue – or all three. The person who will decide which action is appropriate is the chair, **Cedi Frederick**.

But who is Cedi Frederick?

Cedi Frederick is the owner and director of Consiliaris Digital Ltd. Consiliaris offers tech products that provide “low maintenance health profiles of your population”, and assist in “planning healthcare provision”, “retaining healthcare data” and “enable live triage sessions”. The promotional text on the site appears to be aimed at NHS health commissioners. The company appears to have been set up in 2021 and is listed as a private limited company. It’s not clear whether Consiliaris Digital currently have any contracts with the NHS; an enquiry was made with the company. I have had no reply within one month.

Under the Kent & Medway ICB constitution, it is Cedi Frederick’s responsibility (as chair) to decide whether appointments to committees or subcommittees “could reasonably be regarded as undermining the independence of the health service because of the candidate’s involvement with the private healthcare sector or otherwise”(Section 4.6.6).

Angela McNab is a shareholder in RapidHealth. RapidHealth’s AI tech products “support almost any use case that typically requires a (human) clinical decision, allowing you to increase clinical capacity, reduce waste, improve patient access and experience, whilst reducing costs”, according to their website. It offers a range of AI services such as “patient prioritisation”, “triage”, “predictive and preventive care for people in the community” as well as “intelligent bots that can retrospectively analyse insurance claims” to spot insurance fraud.

The website is dated as being set up in 2022. It isn’t clear if the company is already bidding for NHS contracts as yet. An enquiry made one month ago has not yet been answered.

McNab is also a non executive director at Dimensions (a not for profit social care provider) and Trustee at Discovery, another

not for profit social care provider – part of Dimensions Group, according to her declarations for the 5th July meeting.

Balance of Board Members

The board membership as a whole is light on clinicians, with one non-executive member being a consultant physician, a chief nursing officer, and two GP partner members. Five of the board members have links to housing (social housing, housing associations or house building). **Valerie Owen's** background seems to be largely in real estate, housing, property portfolios and estates development – she is described as a “multi-disciplinary property professional”.

A freedom of information request confirmed that Paul Bentley is Board Secretary at Nishana Enterprises Limited which is a company providing “consultancy support to a number of clients in the USA and in the UK”. It is registered with Companies House. The FOI confirmed that Bentley's spouse (Ela Maria Pathak-Sen) is the only shareholder, and that he receives no remuneration. Companies House lists Bentley as Secretary of Nishana Enterprises Ltd and as having ‘significant influence or control’. It is a private limited company incorporated in 2008. The Freedom of Information request to Kent & Medway CCG was unsuccessful in uncovering what sort of consultancy the firm offers or who the client base is.

Severe Staff Shortages

During the meeting I asked about current staff shortfall, and I was told that the NHS in Kent & Medway is short of 1000 nurses and 140 GPs. A follow-up email from Rebecca Bradd (the head of HR) confirmed that the actual figures are worse. Kent and Medway is short of registered nurses, midwives and health visitors by 1,523, and we have 184 less GPs than the national average.

This is a shocking number and will be having a substantial impact on the standard of patient care and on the wellbeing of NHS staff. Severe shortages of clinical staff has been a problem in the NHS since at least 2017, and the obvious steps to tackle it have been consistently sidestepped. Sajid Javid and Matt Hancock refused restorative pay rises for NHS workers; the former has even feigned success in dealing with the problem, putting out messaging claiming “record numbers of NHS staff, record numbers of doctors and nurses”. Sajid Javid, up until his resignation, still hadn't come up with an NHS workforce plan. Rather than find solutions to these urgent problems, our leaders have opted to airbrush the truth and plunge the NHS into a major and all-encompassing overhaul that threatens to stall progress for months.

The severe understaffing was the elephant in the room that was

barely discussed in the 3 hour public meeting. But can the board members or chair be blamed, when they have been charged with setting up a new (and overly-complex) system in the midst of an NHS in crisis?

Anti-NHS sentiment on the board?

One board member, **Lee-Anne Farach**, made a peculiar comment which strongly implied that she thinks NHS GP appointments should not be free of charge.

During the comments on the new Primary Care Plan, she said:

“When I first came to this country, I went to the doctor. I went to reception and got out my wallet. The receptionist said ‘No, we don’t pay to see a doctor here’, and I thought, no wonder the waiting room is so full.”

Farach’s tone indicated that this was clearly a criticism of free GP appointments. She also said “The NHS is seen as this beacon that we can’t touch.”

The NHS is based on the principle that treatment should be provided based on clinical need, not an individual’s ability to pay. It’s an important principle that is enshrined in the NHS constitution.

One of the ICB’s four aims is to “tackle inequalities”. The massive inequalities that exist between the richer and poorer neighbourhoods in Kent is a matter of public record and much discussion among politicians and officials, but the large differences – particularly in relation life expectancy – remain. We should be looking to lower barriers to NHS treatment, not increasing them by introducing charges. It’s worrying that one of the board members appears to hold views that run contrary to the foundational principles of the NHS and the stated aims of the board. She is not the first, however. Susan Acott, (CEO of East Kent Hospitals NHS Trust until spring of this year) made similar comments in 2016 on the BBC’s World at One.

Lee-Anne Farach is one of the two Local Authority Partner Members on the ICB, representing Medway Council. She is Medway Council’s Director for People, Children and Adults’ Services.

My questions to the ICB

In the interests of sharing information, I am listing here the five questions I asked at the end of the meeting on July 5th. The answers I was given are in bold:

- 1. How much is the overall budget allocated to Kent and**

Medway? How far will it go in comparison with previous years, given the rate of inflation (currently at 9%)?

Ivor Duffy (The board's chief financial officer):
"Total budget is £3.5 bn. The rest of the answer will be provided via email."

2. What is the current shortfall in clinical staff and other staff?

Rebecca Bradd (interim chief people officer):
"Around 1000 nurses, 140 GPs. The rest of the information requested will be added to the minutes."

3. How much money (as a percentage) goes to social prescribing from the Kent & Medway health budget?

"Ivor Duffy will supply to you via email and to the board."

4. Sajid Javid announced the NHS must make more than double the amount of efficiency savings going forward (from 1% annually to 2.2% annually). What is the figure that Kent & Medway have to make in savings for the coming year and the year after?

"Ivor Duffy will respond by email."

5. One of the criticisms of the new ICB/ICS setup is that it lacks accountability. What will the ICB put in place to ensure effective accountability?

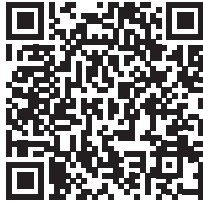
Paul Bentley (CEO): ***"The chair is appointed by the Secretary of State for Health. I also have a line of accountability through to parliament. We will meet in public, and restrict items in section 2 [the bit behind closed doors] to those strictly necessary. We will make public our annual accounts and reports, and next year we will have an AGM."***

Cedi Frederick (chair): ***"It isn't clear...we have our relationship with our region, the South east region of NHSE. We are also working with sovereign organisations who have separate accountability lines...it is a work in progress, it has been raised in meetings that I've been a part of, I think it will become clearer, a lot of this is going to be situational... if you spoke to any of the 42 ICB chairs across the country at this time, nobody could give you a very clear answer. But it will remain on our agenda until we have some sense of clarity."***

Extra info and links

Extra info and links. Scan the QR code to be taken to the information source.

Sources for Virgin Care/KCHFT information: Virgin Care in the NHS/KCHFT contest Virgin Contract, CCG Win Legal Battle, HCRG Takeover of Virgin Care



'Clinical commissioning groups scrapped for new NHS integrated care systems' Isle of Thanet News



Kent & Medway ICB Agenda, 5th July 2022



NHS Privatisation Fails, We Own It org



Kent & Medway CCG introduce ICB Board

