



Public Health, not private profit!

What you need to know
about the HCRG Community
services contract

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Who Are HCRG?

HCRG CARE IS A PRIVATE HEALTH PROVIDER OPERATING AS A LIMITED COMPANY AND OWNED BY THE PRIVATE EQUITY FIRM 2020 CAPITAL. THE COMPANY RECENTLY SECURED A CONTRACT TO MANAGE NHS COMMUNITY SERVICES ACROSS BATH, SWINDON, AND WILTSHIRE.

HCRG Care Group Holdings LTD was previously known as Virgin Care, and before that, it operated under the name Orgasmic Wines Ltd. When meeting HCRG management they describe their approach to healthcare as one of bold transformation and change, emphasising restructuring and efficiency.

However, its for-profit model has raised concerns about the potential impact on staff and service quality. In 2023 HCRG managed to make £10.1 million pounds profit from primarily NHS and local authority contracts

The latest financial results of HCRG Care Group Holdings to March 2023 are as below:

- Revenue £269.2m (up 8.4% on previous year)
- Operating profit £10.1m primarily from NHS and local authority contracts (almost triple the level of the previous year)
- Pre-tax profit £10.2m
- Number of employees 4,920 (implying that it made over £2,000 in pre-tax profit per employee)



What Is a Limited Company?

A LIMITED COMPANY:

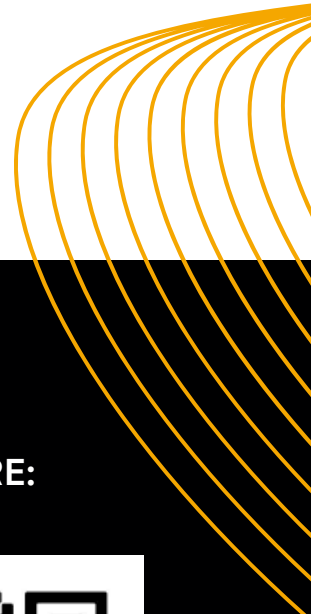
A limited company operates with a primary goal of maximising shareholder returns.

THE NHS:

When limited companies manage NHS services, they extract money from those services through various means, including **cuts to staff terms and conditions**, and channel these funds toward shareholder dividends, share buybacks, and executive bonuses.

PROFIT NOT PEOPLE:

This profit-driven approach creates tensions between maintaining service quality and meeting financial objectives.



**NOT A UNISON
MEMBER? JOIN HERE:**



UNISON
the public service union

What Does TUPE Protect, and What Are Its Limitations?

TUPE (Transfer of Undertakings [Protection of Employment])

Provides some protection for employees when their roles transfer from one employer to another. Think of it as a snapshot of your contract on the day before the transfer—that snapshot represents what is protected under TUPE. However, TUPE has significant limitations

What Is Protected?

- **Your Existing Contract:** TUPE safeguards the terms and conditions outlined in your contract at the time of transfer.

Limitations of TUPE

However, many changes to your role or contract can end TUPE protections here are some examples;

1. **Pay Rises:** Future NHS Agenda for Change (AfC) pay rises are not protected by TUPE.
2. **Promotions:** accepting a promotion or new role ends TUPE protection. The employer decides whether your new role will remain on NHS AfC terms and conditions or move to HCRG's terms and conditions.
3. **Restructures:** In cases of restructures, any alternative role offered by an employer will typically be on their terms and conditions rather than NHS AfC terms. This is at the employer's discretion.

For more guidance on TUPE please see ACAS guidance here: <https://www.acas.org.uk/tupe/advice-for-employers-and-employees>

Union De-Recognition

HCRG plans to de-recognise all trade unions, a move that would significantly weaken staff protections and bargaining power. When an employer recognises a trade union, employees benefit from enhanced rights, as the employer is legally required to consult and negotiate with the union on matters such as contractual changes. This process ensures that agreements must be reached before changes can be implemented.

By de-recognising trade unions, HCRG aims to eliminate this requirement, making it easier for management to impose organisational changes. This includes changes to contracts, terms, and conditions.

Furthermore, local UNISON stewards would no longer have facilities or time allowances to support members with personal cases, further limiting staff access to representation. Pay rises would also be set annually at HCRG's discretion, with no input from trade unions.

This represents a serious attack on the workforce's ability to challenge detrimental changes or prevent cuts to terms and conditions, leaving staff more vulnerable to unilateral decisions by management. This attack on workers rights must be opposed!

Terms and conditions

HCRG have committed to share contract information with UNISON. HCRG have outlined changes to new job role employment terms based on role requirements:

PROFESSIONALLY REGISTERED ROLES:

- New roles will remain under the Agenda for Change (AfC) framework and receive NHS pension.
- Staff who already pay into a NHS pension will continue to be able to do so.

ALL OTHER ROLES:

- New roles will follow HCRG terms and conditions and be covered by the HCRG occupational pension scheme.
- Employees applying to new roles within HCRG will adopt these terms. This would include a promotion or voluntary change of role
- Staff who already pay into the NHS pension scheme will be able to continue doing so. This could change if the staff member were to change roles
- Note: Staff transferred under TUPE regulations will retain their current terms and conditions during the transition plus pension. The limitations to TUPE are outlined above. When we have a written response from HCRG giving us greater clarity we will share this with members.



Redundancies, Transformation & Restructure Plan, Estates review, scope of transfer

REDUNDANCIES

HCRG discussed its stance on redundancies:

- While no guarantees were provided, redundancies are considered unlikely for clinical staff.
- Potential redundancies may affect corporate and management roles as part of organisational harmonisation efforts.

ESTATES REVIEW

An Estates Review will take place post transfer to assess the suitability of workplaces, including community hospitals and work hubs.

- There are no plans to close community hospitals
- A review will be conducted to explore the role of community hubs.

TRANSFORMATION AND RESTRUCTURE PLAN

HCRG has developed a transformation plan aimed at restructuring service delivery:

Presentation Timeline: The full transformation plan will be presented to UNISON shortly after 6 December.

Workforce Plan:

- Focused on resource allocation through restructuring.
- Integration of care teams within the first year to enhance service delivery.

SCOPE OF TRANSFER

UNISON has requested full details of staff within scope of the transfer and some high-level detail has been provided by the ICB. UNISON will be making contact with each services after management have made the announcement.

ICB Board's Lack of Protections

The Integrated Care Board (ICB) opted to use outdated procurement conditions instead of the newer, government-imposed conditions designed to better preserve NHS services.

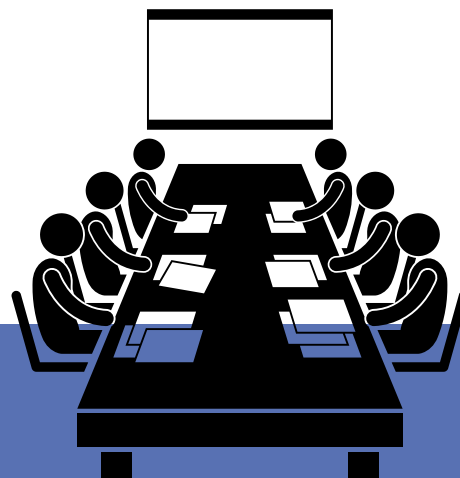
The ICB has not yet completed the required impact assessments across the entire system, despite its duty to consider the broader implications of its decision. Furthermore, the ICB has failed to provide a transparent record of its decision-making process. A formal request for evidence has revealed that seemingly no Business Case—customarily required for significant public expenditure—was prepared.

There are limited safeguards to prevent the organisation from being sold off, a scenario that could lead to disruption and uncertainty, as evidenced by the sale of Virgin Care to HCRG.

Additionally, the ICB did not implement measures to protect NHS funding from being diverted to shareholders or ensure staff terms and conditions remain intact.

The ICB's decision effectively ends the NHS "One Team" ethos by introducing a two-tier workforce, with some staff retaining superior NHS terms while others are relegated to less favorable HCRG conditions.

Despite the significant financial magnitude of the transformation of community services (exceeding £1 billion), the ICB failed to consult unions or the public, contrary to expectations for such impactful decisions.



We Are Stronger Together

OVER THE PAST TWO YEARS, WE'VE SEEN HOW A STRONG UNION CAN PROTECT OUR RIGHTS.

In Wiltshire, UNISON members successfully campaigned to receive the NHS Agenda for Change lump sum payment and the re-banding of HCA's.

These achievements were made possible by NHS workers organising in their workplaces through their trade union UNISON

To hold the new employer accountable, we need to demonstrate the strength of your union.

What Can You Do?

UNISON is actively campaigning for a rethink on this decision and to protect your terms and conditions. Together, we can influence the outcome.

- Join UNISON: If 50% of the workforce joins UNISON we will be in a good position to fight de-recognition - <https://join.unison.org.uk/>
- Get involved: Join our campaign working group.
- Sign Our Petition: Your support will help us strengthen our position and protect your rights - <https://forms.office.com/e/50LHDhQdEb>



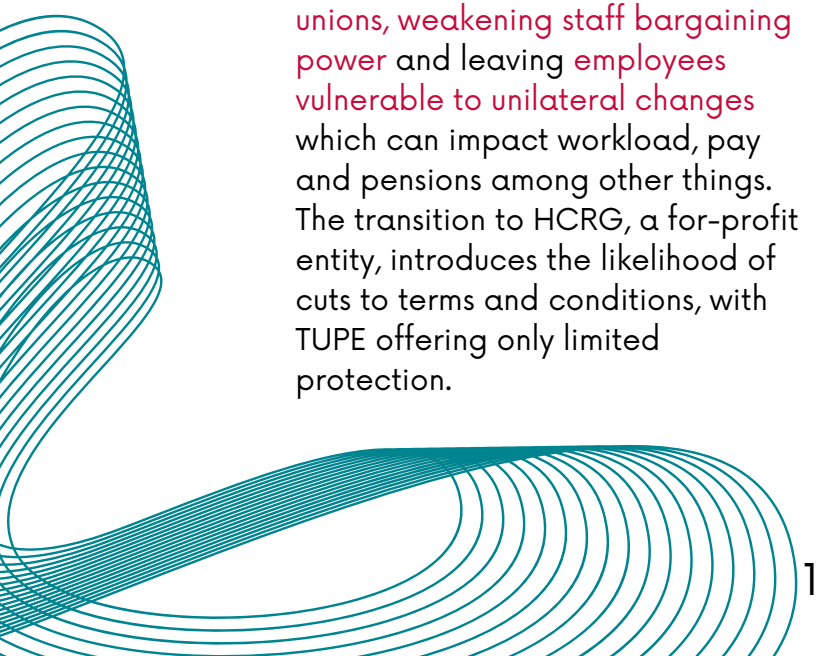
Summary of Key Points

Key Problems:

1. Risk of Job Losses:

While HCRG has indicated redundancies are aren't immediately planned for clinical staff non-clinical roles face potential cuts as part of restructuring efforts, creating uncertainty and destabilising the workforce.

2. Union De-Recognition = Staff Terms and Conditions at Risk:



HCRG plans to **de-recognize trade unions, weakening staff bargaining power** and leaving **employees vulnerable to unilateral changes** which can impact workload, pay and pensions among other things. The transition to HCRG, a for-profit entity, introduces the likelihood of cuts to terms and conditions, with TUPE offering only limited protection.

3. Profits not patients:

When limited companies manage NHS services, they **extract money from those services** through various means, including **cuts to staff terms and conditions**, and channel these funds toward shareholder dividends, share buybacks, and executive bonuses. This profit-driven approach creates tensions between maintaining service quality and meeting financial objectives.

Act Now!

Join Unison >



< Sign the petition:



UNISON

*Wiltshire and
Avon Health*