ELR GP Federation Ltd

General Meeting of Shareholders

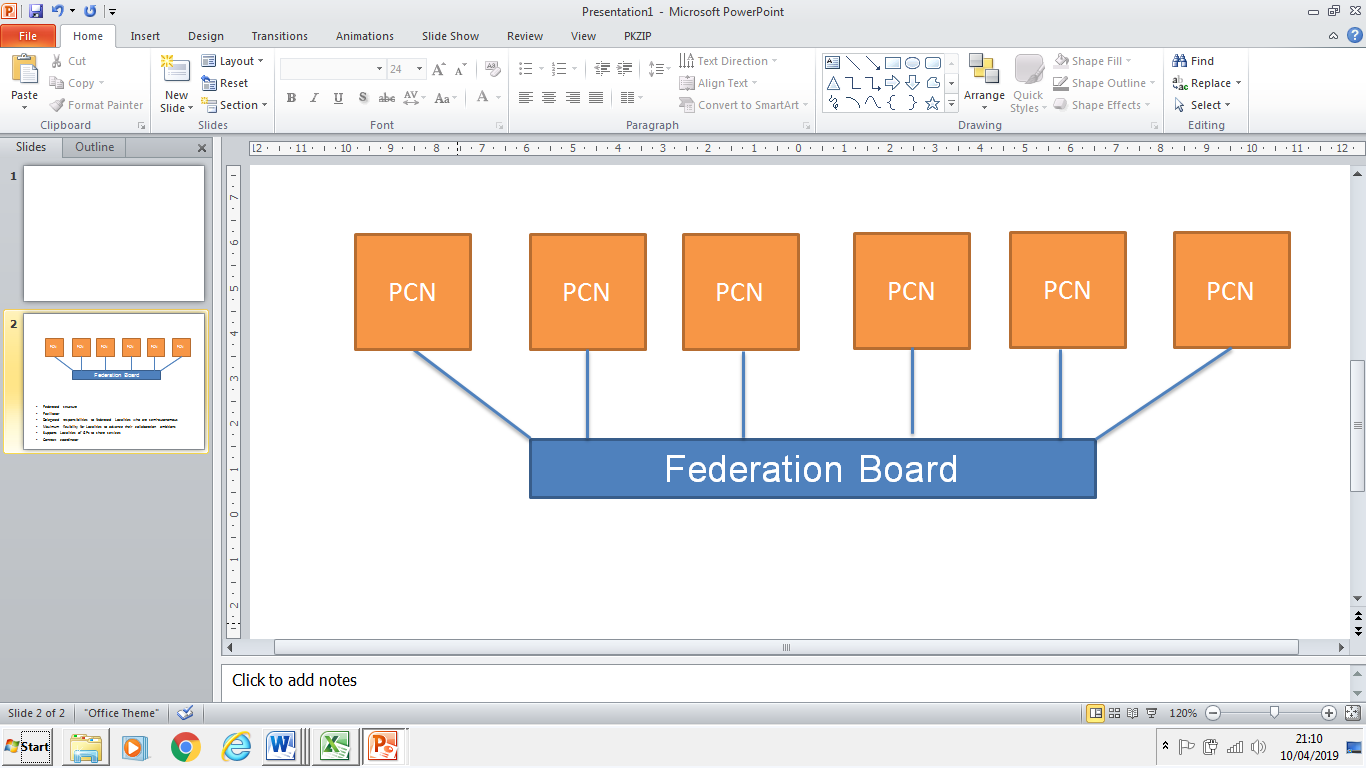
Wednesday 22nd May 2019 – Syston Medical Centre

**Present**: Dr R Bietzk (chair), Dr G Chidlow, Dr C Metcalf, Dr S Ghosh, Dr C Kingsway, J McCrea, J Watkins, R Whitehead, Dr L Ryan, H Patel

1. **JW confirmed that 24 Practices (>80% of Sharholders) were either in attendance or had appointed the Chairman to vote on their behalf.** A minimum of 51% of Shareholders is required to make a decision and therefore quoracy was achieved.
2. **Directors**

Three Directors came to the end of their three year terms in May 2019 and the Federation posts are therefore up for election.

The Federation has developed a proposal to use the ELR GP Federation to support PCN development and provide a forum for them to work together.



It has been proposed to co-opt the PCNs ACDs onto the Federation Board (if they are not already a Director) to shape and focus the Federation business on activity that supports PCNs to operate effectively; providing a forum for debate at the ’30 level’.

**To allow this proposal to be discussed with the new Accountable Clinical Directors (ACD); it was agreed to defer the election of the Federation Board Directors until the end of October 2019.**

1. **Proposal to form a Joint Venture with DHU**

The proposal (Appendix 1) was approved unanimously.

1. **Removal of a Director**

In line with the Federation’s Articles of Association and Shareholders’ Agreement; it was agreed that Mrs Kirsty Whawell should be removed as a Director as she was no longer an employee of a Shareholding Practice.

**Appendix 1 - Proposal to form a Joint Venture with DHU**

1. **Introduction**

Shareholders will be aware that, in partnership with DHU, ELR GP Federation bid successfully for the contract to manage the ELR Integrated Urgent Care Centres (see configuration below).



**The Federation is now in the process of formalising the Joint Venture Agreement with DHU and requires a resolution of its Shareholders to establish this agreement, in accordance with the Articles of Association of ELR GP Fed Ltd.**

1. **Overview of DHU Health Care CIC**
2. DHU Health Care CIC is a social enterprise and a not for profit company, known locally as DHU.
3. The company was established in April 2007 as a result of a merger between two Derbyshire based companies that were set up by local general practitioners. DHU is now officially classified as a medium sized organisation under The Companies Acts definition and are consequently large enough to be operationally robust but small enough to care and to be flexible in meeting commissioners’ requirements.
4. DHU secured the contracts for GP Out of Hours Services for LLR and the Loughborough Urgent Care Centre on 13th May 2016, stepping in on a caretaking basis following the financial collapse of the previous provider, CNCS.
5. In Autumn 2016, the process for re-procurement of the new service models for urgent care commenced. DHU Health Care CIC has secured the first two contracts that were let by competitive tender. This includes;

* Integrated Primary and Community Urgent Care Service in West Leicestershire in partnership with 4FED (the combined West Leicestershire GP Federations)
* LLR Urgent Care Home Visiting Service which is a 24 hour a day, 7 day a week service spanning a population of 1.1 million

1. In addition DHU is continuing to provide a 24/7 Home Visiting Service to Leicester, Leicestershire and Rutland, the four City Hubs and the LRI Front Door and is continuing to provide and develop the Clinical Navigation Hub.
2. DHU’s ambition was to provide urgent care services across LLR recognising both the clinical benefits and economies of scale that a single provider can bring to LLR by managing capacity and demand across the patch in partnership with local GPs and their Federations.
3. DHU have invested heavily in LLR with the creation of an LLR Divisional Management and Governance Structure which includes an independent Chair, Managing Director, Clinical Director, senior operational and clinical leads along with dedicate support staff. The current structure has been developed to support further expansion.
4. **Benefits of partnering with DHU Health Care CIC**
5. **Tender Process** - ELR GP Federation would not have qualified to bid alone due to limited trading history and track record of mobilisation and delivery of large services. A Dun & Bradstreet score, which is based on financial strength (such as tangible net worth based on financial accounts) and risk indicators (such as minimum data to identify trading activity) is generally undertaken.

DHU Health Care CIC has significant trading history, having traded for the last 30 years, achieving profitable growth which has enabled it to invest its surplus in expansion – as a social enterprise.

The process of submitting a tender is complex, time consuming and requires significant investment in both time and money. Bidders are required to pass a preliminary compliance review, evaluation of qualification and an evaluation of a technical envelope.

1. **Capacity and Capability** - DHU had capacity and capability to invest in a large competitive tender with dedicated programme management, service model development, bid writing, financial modelling through to mobilisation of new contract. Furthermore, it can deliver a commercially viable bid by delivering greater efficiencies for commissioners operating at scale, in partnership and where mutually beneficial.
2. **Set up** – DHU can provide the working capital / early stage funding requirements for pay roll costs, overheads and back office infrastructure such as payroll, governance and financial accounting.
3. **Reputation and Track record** - DHU has a good local reputation and track record of delivery. In addition to mobilising NHS 111 contracts and the recent LLR contracts, DHU have continued to develop the Clinical Navigation Hub and has provided additional support to UHL front door due to staffing difficulties in LRI and the City Hubs.
4. **Arrangements with 4FED and LCH** - DHU has an existing joint venture for the delivery of West Leicestershire Integrated Primary and Urgent Care services in conjunction with 4 FED, (the combined West Leicestershire Federations). DHU is also working in partnership with Leicester City Health who cover 80% of the GP Practices in Leicester City.
5. **Future opportunities –** the creation of a Joint Venture with DHU will provide a vehicle that could bid for future opportunities.
6. **Basis of Proposed Agreement with ELR GP Federation**

It is proposed that the Joint Venture be structured in the following way from an organisational lead and delivery perspective;

1. **DHU expertise in the Joint Venture**

* Management control in the day to day delivery of the services; responsible to the Board.
* Clinical and non-clinical staff as required for the delivery of services within services.
* Clinical Leadership for both strategic and operational elements of integrated urgent care across East Leicestershire within the service.
* Back office support services required to, e.g. Clinical governance, Human Resources, Analytics, Facilities, Finance, Governance, Health & Safety, Insurance, IT and Business Continuity, Provision of data aspiring towards better integrated IT systems to support modelling and inform future service delivery through improved and integrated patient journey.
* Engagement in wider system changes, as appropriate within LLR.

1. **ELR Federation expertise in the Joint Venture**

* Practice engagement & collaborative working with Primary Care (sub-contract arrangements have been put in place with The Croft Medical Centre and Bushloe Surgery to provide the GPs required at Oadby UCC during ‘core hours’, Monday to Friday).
* Primary Care pathway interactions and streamlining of clinical pathways to improve patient experience in to and out of both the services.
* Provision of data aspiring towards better integrated IT systems, including risk stratification to support modelling and inform future service delivery.
* Clinical Leadership for both strategic and operational elements of integrated urgent care across ELR.
* Engagement in wider system changes (e.g. PCN development), as appropriate within ELR.

1. **Governance**

* The Joint Venture will be a Community Interest Company - *‘DHU East Leicestershire & Rutland CIC’* - and will be supported by a robust governance structure.
* A joint strategic Board will be formed to manage the strategic direction of the services with equal representation and voting rights for both parties and the appointment of an Independent Chair.
* The Federation will receive reimbursement for its contribution @ £48K (inc VAT) per annum
* In return for the Federation not being exposed in the event of a deficit; surplus will be retained by DHU up to a cap (TBA), beyond which it will be shared on a 50:50 basis.
* The draft Articles of Association and Shareholders Agreement for the JV are inserted below.

1. **Resolution**

**The Directors propose that a special resolution of the shareholders of ELR GP Fed Ltd is made to approve the formation of a Joint Venture CIC with DHU at its General Meeting on 22nd May 2019 @ Syston Health Centre @ 7pm.**