

Licensee

St. Andrew's Healthcare

Decision

On the basis of the grounds set out below, and having regard to its enforcement guidance, NHS England has decided to accept from the licensee the enforcement undertakings specified below pursuant to its powers under section 106 of the Health and Social Care act 2012 ("the Act").

Grounds

1. Licence

The licensee is the holder of a licence granted under section 87 of the Act.

2. Breaches of licence conditions

2.1 NHS England has reasonable grounds to suspect that the licensee has provided and is providing healthcare services for the purposes of the NHS in breach of the following conditions of its licence:

2023 Licence Condition	Summary of condition
CoS3(1)(a)	The Licensee shall at all times <u>adopt and apply systems and standards of corporate governance, quality governance and of financial management</u> which reasonably would be regarded as: suitable for a provider of the Commissioner Requested Services, provided by the Licensee, or a Hard to Replace Provider,
CoS3(1)(c)	The Licensee shall at all times <u>adopt and apply systems and standards of corporate governance, quality governance and of financial management</u> which reasonably would be regarded as: providing reasonable safeguards against the licensee being unable to deliver services due to quality stress.
CoS7(1)	<p>The Licensee shall at all times act in a manner calculated to secure that it has, or has access to, the Required Resources.</p> <p>Under CoS7(8) "Required Resources" means such:</p> <ul style="list-style-type: none">a. management resources including clinical leadership,b. appropriate and accurate information pertinent to the governance of qualityc. financial resources and financial facilities,

	<p>d. personnel,</p> <p>e. physical and other assets including rights, licences and consents relating to their use,</p> <p>f. subcontracts , and</p> <p>g. working capital as reasonably would be regarded as sufficient for a Hard to Replace Provider and/or to enable the Licensee at all times to provide the Commissioner Requested Services.</p>
--	--

2.2 In particular:

2.2.1 On 21 October 2025 the Care Quality Commission (CQC) published an inspection report on the Northampton site of St Andrew's Healthcare and rated the site "Inadequate". As part of this rating the Well Led domain was rated "Inadequate"

2.2.2 On 12 December 2025, the CQC published a further report on the Northampton site rating the site as "Inadequate" across all domains considered for this inspection. This report raises significant concerns about culture at the organisation and the processes that allow staff to speak up.

2.2.3 Through its work NHS England has identified several areas where governance arrangements are not of a standard expected for a provider of commissioner requested services or a hard to replace provider of NHS services:

- a) Governance structures are inconsistently effective resulting in limited assurance at Board level Concerns about staff culture impacting on morale and ability to raise concerns, and safer staffing levels cannot be assured due to substantial dependence on bank and overtime. Shortcomings in the ways that risks and incidents are managed and how learning is shared
- b) Shortcomings in the way that performance data is presented, interpreted and used for assurance
- c) Shortcomings in the way that the organisation is attempting to embed improvements from CQC findings

2.2.4 Executive-level leadership is stretched, with several key roles covered on an interim basis. The instability and repeated turnover in Executive Nurse leadership between July 2023 and August 2025 resulted in a material governance risk, as it compromised sustained executive accountability for nursing, quality, and patient safety despite mitigations at board level through Non-Executive Director nursing oversight.

2.2.5 In response to the restrictions imposed by the CQC, the licensee has approved a plan to reduce the number of beds provided on its Northampton site. We note that the financial assumptions in this plan have been subject to independent scrutiny. The following points have been noted by NHSE:

- a) The plan was created at pace to ensure financial sustainability following the CQC restrictions. At the time the plan was approved it was not underpinned by a fully developed clinical model or organisational development plan to support the transition
- b) The plan forecasts a significant reduction in cash and liquidity and therefore requires significant cost savings to be delivered to right size the Charity.
- c) There is significant management resource required to deliver the plan and that resource is not yet fully in place

2.3 Need for action:

NHS England believes that the action which the licensee has undertaken to take pursuant to these undertakings, is action to secure that the breaches in question do not continue or recur.

3. Appropriateness of undertakings

In considering the appropriateness of accepting in this case the undertakings set out below, NHS England has taken into account the matters set out in its Enforcement Guidance.

Undertakings

NHS England has agreed to accept, and the licensee has agreed to give the following undertakings pursuant to section 106 of the Act:

1 Board and organisational culture

- 1.1 The Licensee will take all reasonable steps to ensure that staff are effectively supported through the period of transition, and that a sustainable long-term cultural development approach is established, which will incorporate key learning from previous organisational experience and embed the knowledge to strengthen leadership, behaviours and organisational resilience.
- 1.2 The Licensee has developed an Integrated Improvement Plan to address concerns highlighted by regulators. By a date agreed with NHS England the Licensee will, as part of the Integrated Improvement Plan, adopt an approved **Board and Organisational Culture Development Plan**. The Board and Organisational Culture Development Plan will detail the actions that the Licensee will take to ensure sustained compliance with paragraph 1.1.

2 Quality Governance improvement

- 2.1 The Licensee will take all reasonable steps to rectify the concerns which are set out in the CQC inspection reports (dated 22 October 2025 and 12 December 2026) and associated Notices of Decision ("CQC Reports and Notices"), in such timescales as set by the CQC.
- 2.2 The Licensee will comply with any deadlines for action set by the CQC. By a date set by the CQC, the Licensee will submit a **Quality Improvement Plan**. The Quality Improvement Plan will detail the actions that the Licensee will take to ensure sustained compliance with paragraph 2.1.

- 2.3 The Licensee will provide a copy of its Integrated Improvement Plan to the Intensive Oversight and Assurance Group (IOAG) established by NHS England or successor group at the same time as it submits this to the CQC.
- 2.4 The Integrated Improvement Plan will specifically cover but shall not be limited to:
- 2.4.1 how each of the breaches set out in the “CQC Reports and Notices” will be addressed and shall set out the actions which the Licensee will take to address the breach and the timescale for completion of that action.
- 2.4.2 Actions that the Licensee will take to ensure robust governance processes in relation to timely identification and management of risk including processes for shared learning.
- 2.5 The Licensee will demonstrate it is able to deliver the Integrated Improvement Plan and meet the key milestones contained in that plan, including by demonstrating that it has sufficient executive capacity to deliver the plan.
- 2.6 The Licensee will demonstrate progress against the plan in line with the agreed timescales through the Licensee’s internal governance arrangements and IOAG.
- 2.7 The Licensee will present a report on progress against the Integrated Improvement Plan to the IOAG each month unless NHS England have agreed an alternative arrangement in writing. Such status reports must provide details of which actions have been completed, and when, and what actions are outstanding together with details of expected completion dates for those actions.
- 2.8 The Licensee will ensure that it reviews and considers existing and/or future recommendations from external independent reviews or other investigations which touch upon the quality issues identified within these undertakings, and these will be considered for incorporation into the Integrated Improvement Plan as required.
- 2.9 The Licensee will, as part of the Integrated Improvement Plan, agree and implement a workforce and organisational development strategy to ensure sufficient numbers of suitably qualified, competent and experienced staff are available to enable them to meet all regulatory requirements.
- 2.10 The Licensee will, as part of the Integrated Improvement Plan, ensure investigations into serious incidents follow the relevant frameworks and processes for the investigation of patient safety incidents, to ensure provisional learning is shared in a timely manner, in accordance with the timescales set out in that framework.
- 2.11 The Licensee will notify NHS England promptly of any serious incidents which occur and will keep NHS England informed in relation to the progress of their investigation and its findings.

3 General/Recovery Support Programme

- 3.1 The Licensee will:
- 3.1.1 Take all reasonable steps to meet the Recovery Support Programme Exit Criteria as set out and agreed by the IOAG, in accordance with the timescales agreed by the IOAG and provide evidence of this.

- 3.1.2 Carry out a review of progress against the Recovery Support Programme Exit Criteria and share that review with the IOAG, in accordance with the timescales set by the IOAG.
- 3.1.3 Any notification which the Licensee has undertaken to provide regarding requirements shall be sent by email to the NHS England Recovery Support Team Improvement Director

4 Management capacity

- 4.1 By a date agreed with NHS England the Licensee will review the composition of its executive team demonstrating that it has had regard to the findings of the NHS England Recovery Support team and any relevant findings by the CQC through its inspection activity. The Licensee will create a plan to recruit on permanent basis to any vacant Executive posts or Executive posts filled on an interim basis. It will keep NHS England informed of progress throughout any recruitment processes for Executive roles.
- 4.2 By a date agreed with NHS England the Licensee will appoint an interim senior resource to support on the planned restructure of the organisation (Senior Resource).
- 4.3 The Licensee will agree the person specification of the Senior Resource with NHS England and keep NHS England informed of progress throughout the recruitment process by providing fortnightly written updates.
- 4.4 Once appointed, the Senior Resource will support the Licensee to:
 - 4.4.1 maintain the Restructuring Plan, updating it for new information or stress testing for new risks as they arise subject to compliance with 6.4;
 - 4.4.2 lead on delivery of milestones within the Restructuring Plan;
 - 4.4.3 ensure that the Restructuring Plan is underpinned by a robust clinical model and organisational development plan;
 - 4.4.4 Ensure that the Restructuring Plan is underpinned by granular plans for delivering savings including non-clinical cost savings; and
 - 4.4.5 Ensure that an accurate 13 week rolling cash flow forecast is maintained.
- 4.5 The Licensee will agree the duration of the appointment of the Senior Resource with NHS England.

5 Financial recovery

- 5.1 The Licensee will deliver its Restructuring Plan alongside its accepted recommendations from advisors in relation to the Restructuring Plan.
- 5.2 By a date agreed set by NHS England, the Licensee will provide assurance that the Restructuring Plan is underpinned by a robust clinical model.
- 5.3 On a fortnightly basis as set by NHS England, the Licensee will provide a robust 13 week rolling cashflow forecast.
- 5.4 On a monthly basis as set by NHS England, the Licensee will provide written updates on the security of its debt and other secured creditors, its relationship with its lenders and secured creditors and any plans to refinance.

6 General

- 6.1 When developing all Plans referred to in these undertakings (“the Plans”) the Licensee will engage effectively with key stakeholders and will ensure their views are reflected appropriately in the Plans.
- 6.2 The Plans referred to in these undertakings shall be subject to the following sign-off procedure:
- Plan approved by the Licensee at board level;
 - Plan provided by the Licensee to NHS England with evidence of Licensee board approval;
 - Consideration, comment and (if acceptable) approval by NHS England.
- 6.3 The Licensee will keep the Plans and their delivery under review. Where matters are identified which materially affect or may materially affect the Licensee’s ability to meet the requirements of paragraphs 1.1, 2.1, 3.1, 4.1 or 5.1, the delivery of a Plan or the requirements of any other undertaking, whether identified by the Licensee or another party, the Licensee will notify NHS England as soon as practicable and in any event within 5 working days of the date on which that non-compliance comes to their attention. The Licensee shall also update and resubmit the relevant Plan for NHS England approval within a timeframe set by NHS England and in accordance with the procedure set out at paragraph 6.2.
- 6.4 The Licensee will take all reasonable steps to deliver the Plans, in accordance with the timeframes set out in the Plans, unless otherwise agreed with NHS England. The Licensee will not amend the Integrated Improvement Plan without reporting to the IOAG as recorded in IOAG minutes.
- 6.5 The Licensee will co-operate with NHS England. This shall include working with the IOAG to enable the IOAG to oversee and provide assurance to NHS England on the Licensee’s progress in delivering the Integrated Improvement Plan;
- 6.6 The Licensee will engage with any independent reviews in respect of its operation or performance commissioned whilst these undertakings continue in effect or already underway at the time these undertakings were agreed.
- 6.7 References to the IOAG include any successor group(s).

7 Reporting

- 7.1 The Licensee will provide regular reports to NHS England on its progress in complying with the undertakings set out above and will attend meetings, or, if NHS England stipulates, conference calls, as required, to discuss its progress in meeting those undertakings. Most business will usually be conducted through the IOAG or any successor groups which will take place once a month unless NHS England Recovery Support team otherwise stipulates, at a time and place to be specified by NHS England and with attendees specified by NHS England.

- 7.2 Business related to financial recovery will be conducted through the monthly calls with the NHS England Independent Providers Team. These meetings will take place once a month unless the NHS England Independent Provider team otherwise stipulates, at a time and place to be specified by NHS England and with attendees specified by NHS England.
- 7.3 Upon request, the Licensee will provide NHS England with the evidence, reports or other information relied on by its Board in relation in assessing its progress in delivering these undertakings.
- 7.4 The Licensee will comply with any additional reporting or information requests made by NHS England.

The undertakings set out above are without prejudice to the requirement on the Licensee to ensure that it is compliant with all the conditions of its licence, including any additional licence condition imposed under the Act and those conditions relating to:

- (i) compliance with the healthcare standards binding on the Licensee; and
- (ii) compliance with all requirements concerning quality of care.

Any failure to comply with the above undertakings will render the Licensee liable to further formal action by NHS England. This could include the imposition of discretionary requirements under section 105 of the act in respect of the breach in respect of which the undertakings were given and/or revocation of the licence pursuant to section 89 of the act.

Where NHS England is satisfied that the Licensee has given inaccurate, misleading or incomplete information in relation to the undertakings: (i) NHS England may treat the Licensee as having failed to comply with the undertakings; and (ii) if NHS England decides so to treat the Licensee, NHS England must by notice revoke any compliance certificate given to the Licensee in respect of compliance with the relevant undertakings.

LICENSEE

Signed (Interim Chair of Licensee) Steve Gray



17 December 2025

NHS ENGLAND

Signed (Member of Executive Performance, Quality and Delivery Committee) Dale Bywater, Regional Director - Midlands



19 December 2025