

# **Review of the undertakings and revised undertakings given by Circle Healthcare Holdings Limited**

**NOTICE OF PROVISIONAL DECISION ON THE REVIEW OF THE  
UNDERTAKINGS GIVEN BY CIRCLE HEALTHCARE HOLDINGS  
LIMITED PURSUANT TO SECTION 73 OF THE ENTERPRISE  
ACT 2002**

## 1. INTRODUCTION

1. On 8 January 2020, Circle Health Holdings Limited (**Circle**) acquired all the issued share capital of GHG Healthcare Holdings Limited, the indirect parent company of BMI Healthcare Limited (collectively **BMI**).
2. On 8 April 2020, the CMA decided under section 22(1) of the Act that it is or may be the case that the Merger constitutes a relevant merger situation that has resulted or may be expected to result in a substantial lessening of competition (**SLC**) as a result of horizontal unilateral effects in relation to the supply of Private Hospital Medical Services in Bath and Birmingham (the **SLC Decision**<sup>1</sup>).
3. On 23 June 2020, the CMA accepted undertakings in lieu of a reference under section 73(2) of the Act (**UILs**<sup>2</sup>), pursuant to which Circle agreed to divest Circle Hospital (Bath) Limited (**Circle Bath**) and Circle Birmingham Limited (**Circle Birmingham Hospital or the acute facility**) (the **Divestiture Businesses**) to a purchaser or purchasers approved by the CMA by the end of the Divestiture Period (as defined in the UILs) (**UIL Acceptance Decision**).
4. On 1 June 2021, Circle completed the divestiture of Circle Bath to Royal United Hospitals Bath NHS Foundation Trust.<sup>5</sup>
5. Despite running a formal divestiture process Circle received no formal offers for Circle Birmingham Hospital. The key issue raised by bidders was [~~✗~~]. On 21 June 2021, Circle requested the CMA varies the UILs insofar as they relate to the divestiture of Circle Birmingham Hospital (**UILs Variation Request**).
6. On 10 December 2021, the CMA published an initial Provisional Decision on the review of the undertakings given by Circle Health Holdings Limited, which it consulted on between 10 to 24 December 2021.
7. On 2 April 2024, after reviewing the responses to the initial Provisional Decision the CMA published its Revised Provisional Decision review of the undertakings given by Circle Health Holdings Limited.
8. In summary, the CMA has revised its provisional decision, finding that a divestment of the Edgbaston Hospital (**BMI Edgbaston**) would resolve the competition concerns in a clear-cut manner. The CMA has therefore provisionally decided to accept revised undertakings allowing Circle to divest BMI Edgbaston instead of Circle Birmingham (the **Revised Undertakings**). Following consultation, the CMA has provisionally found that divestment of the Edgbaston site would instead resolve those competition concerns in a clear-cut manner. The CMA has also provisionally approved Practice Plus Group as a suitable purchaser for BMI

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<sup>1</sup> Please access the [SLC Decision](#) in the Circle/BMI case page.

<sup>2</sup> Please access the [UIL Acceptance Decision](#) in the Circle/BMI case page.

Edgbaston. The CMA's decision that the Revised Undertakings might be accepted has been announced on 2 April 2024.

9. Therefore, the CMA is inviting views from interested third parties in relation to:
  - (a) Whether the divestment of BMI Edgbaston is appropriate to remedy, mitigate or prevent the relevant competition concerns identified in the SLC Decision; and
  - (b) Whether to accept the Revised Undertakings and proposed purchaser.
10. **Any representation in relation to the CMA's Revised Provisional Decision should be made by 16 April 2024** and sent to: Marta Freire ([marta.freire@cma.gov.uk](mailto:marta.freire@cma.gov.uk)).