

22 August 2025

8<sup>th</sup> Floor  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

**REF: SHA/ 26638**

Tel: 020 3928 2000  
Email: [nhsr.appeals@nhs.net](mailto:nhsr.appeals@nhs.net)

**APPEAL AGAINST LEICESTER,  
LEICESTERSHIRE AND RUTLAND ICB DECISION  
TO REFUSE AN APPLICATION FOR CHANGE OF  
OWNERSHIP FROM HEALTHPHARM LEICESTER  
LTD IN RESPECT OF 509 SAFFRON LANE,  
LEICESTER, LE2 6UL**

## **1 Outcome**

- 1.1 The Pharmacy Appeals Committee (“Committee”), appointed by NHS Resolution, quashes the decision of the Commissioner and redetermines the application.
- 1.2 The Committee determined that the application should be granted

A copy of this decision is being sent to:  
Healthpharm Group Ltd  
PCSE on behalf of Leicester, Leicestershire and Rutland ICB

REF: SHA/ 26638

**APPEAL AGAINST LEICESTER,  
LEICESTERSHIRE AND RUTLAND ICB DECISION  
TO REFUSE AN APPLICATION FOR CHANGE OF  
OWNERSHIP FROM HEALTHPHARM LEICESTER  
LTD IN RESPECT OF 509 SAFFRON LANE,  
LEICESTER, LE2 6UL**

8<sup>th</sup> Floor  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

Tel: 020 3928 2000  
Email: [nhsr.appeals@nhs.net](mailto:nhsr.appeals@nhs.net)

## 1 The Application

By application dated 22 November 2024, Healthpharm Group Ltd (“the Applicant”) applied to Leicester, Leicestershire and Rutland ICB (“the Commissioner”) for a change of ownership from Healthpharm Leicester Ltd in respect of 509 Saffron Lane, Leicester, LE2 6UL. In support of the application it was stated:

Basis for the change of ownership

- 1.1 The Applicant confirmed that they were buying the pharmacy business on a non-debts and liabilities basis by ticking “Yes” on the application form and in response to “Debts and liabilities basis, with or without access to the existing bank account” the Applicant ticked “no”.
- 1.2 I/we proposed to carry on at the above premises the business in the course of which the above owner is providing pharmaceutical services at the above premises.

Opening hours

### 1.3 Core opening hours

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
09.00 – 17.00	09.00 – 17.00	09.00 – 17.00	09.00 – 17.00	09.00 – 17.00			40

### 1.4 Total opening hours

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
09.00 – 18.00	09.00 – 18.00	09.00 – 18.00	09.00 – 18.00	09.00 – 18.00	09.00 – 17.30		54.5

- 1.5 The Applicant confirmed that Essential Services (paragraphs 3 to 22, Schedule 4) were to be provided.

In response to “If you are undertaking to provide appliances, specify the appliances that you undertake to provide” the Applicant left this box blank.

- 1.6 The Applicant confirmed that the pharmacy premises will have a consultation room that meets the requirements of paragraph 28A, Schedule 4 of the Regulations.

In response to “In my/our view this application should not be refused pursuant to Regulation 31 for the following reasons”, the Applicant stated:

- 1.7 “PLEASE NOTE THIS IS A CHANGE OF OWNERSHIP ONLY.
- 1.8 FROM HEALTHPHARM LEICESTER LTD TO HEALTHPHARM GROUP LTD
- 1.9 THERE IS NO OTHER CHANGES TO OWNERSHIP OR SERVICES
- 1.10 THIS IS DUE TO RESTRUCTURING OF THE COMPANIES IN THE GROUP.
- 1.11 HEALTHPHARM LEICESTER LTD will cease to be open and will be closed down.”
- 1.12 The Applicant confirmed by ticking “Yes” that the services they are undertaking to provide are the same as those that the current owner is providing.
- 1.13 The Applicant confirmed by ticking “No” that there would not be any interruption to service provision.
- 1.14 The Applicant confirmed by ticking “No” that they were not applying for a change of ownership in relation to distance selling premises.”

## 2 The Decision

The Commissioner considered and decided to refuse the application. The decision letter dated 19 June 2025 states:

- 2.1 “We have considered the above application and I am writing to confirm that it has been refused. Please see the enclosed report for the full reasoning.
- 2.2 You have a right of appeal to the Secretary of State against Leicester, Leicestershire and Rutland ICB’s decision. Should you choose to appeal then you should either complete the online form available on the NHS Resolution website or send a concise and reasoned statement of the grounds for your appeal within 30 days of the date of this letter to [nhsr.appeals@nhs.net](mailto:nhsr.appeals@nhs.net) or:
- 2.3 Primary Care Appeals  
NHS Resolution  
8th Floor  
10 South Colonnade  
Canary Wharf  
London

E14 4PU”.

PSRC report

[Any reference to ‘Committee’ in this section is not to be confused with the Pharmacy Appeals Committee of NHS Resolution]

- 2.4 **“Change of Ownership from Healthpharm Leicester Ltd to Healthpharm Group Ltd, 509 Saffron Lane, Leicester, LE2 6UL (2013 Regulations – Regulation 26 (Leicester City Health and Wellbeing Board)**
- 2.5 **CAS-341134-G5Y1X0**
- 2.6 The committee noted that the applicant is already included in the pharmaceutical list for the area of Leicester City Health and Wellbeing Board and therefore paragraph 23, Schedule 2 does not apply.
- 2.7 Regulation 31 – refusal: same or adjacent premises.
- 2.8 Regulation 31(2)(a) applies as Healthpharm Leicester Ltd is currently included in the pharmaceutical list for the area of Leicester City Health and Wellbeing Board in respect of the pharmacy premises at 509 Saffron Lane, Leicester City LE2 6UL and is providing pharmaceutical services from these premises.
- 2.9 The committee therefore need to consider whether regulation 31(2)(b) also applies. It is noted that there is shared ownership and control of the applicant and the current contractor – the directors and superintendent of both bodies’ corporate are the same, as are the registered offices. The committee was therefore satisfied that it is reasonable to treat the applicant’s services as part of the existing services and that regulation 31(2)(b) applies.
- 2.10 The committee **refused** the application by virtue of regulation 31
- 2.11 Regulation 26 - Change of Ownership applications
- 2.12 **Regulation 26 (1)(a)(i)**
- 2.13 The premises listed in the application are included in the relevant pharmaceutical list and are therefore listed chemist premises.
- 2.14 **Regulation 26 (1)(a)(ii)**
- 2.15 It is concluded that this regulation is met as pharmaceutical services are already being provided from the same premises.
- 2.16 **Regulation 26 (1)(b)**
- 2.17 It is concluded that this regulation is met as the Applicant is continuing to provide pharmaceutical services from the same premises.
- 2.18 **Regulation 26 (1)(c)**

- 2.19 It is concluded that this regulation is met as the Applicant is undertaking to provide the same services as those already being provided by the current owner.
- 2.20 **Regulation 26(1)(d)**
- 2.21 It is concluded that this regulation is met as the provision of pharmaceutical services will not be interrupted.
- 2.22 Regulation 66 - Conditions Relating to Providing Directed Services
- 2.23 The applicant has provided a declaration in section 6.1 of the application to state that they will provide the same services as those provided by the current owner.
- 2.24 List all the Enhanced and Advanced services that the existing owner undertakes
- 2.25 The applicant has also undertaken to provide the following additional services.
- 2.26 Enhanced Services (Commissioned by the ICB)
- 2.27 The applicant does not currently provide any Enhanced Services
- 2.28 Advanced Services Commissioned by NHS England
- 2.29 New Medicine (NMS)
- 2.30 NHS Flu vaccinations
- 2.31 Pharmacy First
- 2.32 Contraception
- 2.33 Regulation 66(4) therefore applies if the application is to be granted, and the inclusion of the applicant and the pharmacy premises in the pharmaceutical list for the area of Leicester City Health and Wellbeing Board would be subject to the condition set out in regulation 66(5).
- 2.34 The condition is that, at the pharmacy premises, the applicant must:
- 2.35 Provide the directed services mentioned in the application and
- 2.36 Not withhold agreement to a service specification for those services unreasonably.
- 2.37 If the ICB commissions the services from the applicant within three years of the date of either the grant of the application or, if later, the listing in relation to the applicant of the pharmacy premises, unless thereafter the ICB ceases to commission the services (if it has commissioned them).

2.38 For the services commissioned by the ICB and NHS England, if the application is granted, the Committee is to consider whether or not to specify a date by which the condition to provide these services is to take effect.

2.39 Decision:

2.40 The committee refused the application by virtue of regulation 31.

2.41 Third Party appeals rights:

2.42 As the application was refused the applicant has a right of appeal.”

### 3 **The Appeal**

In an email dated 19 June 2025, the Applicant appealed against the Commissioner’s decision. The grounds of appeal are:

- 3.1 “I am seeking your assistance to resolve an important matter appeal
- 3.2 We have received a response from the ICB concerning the change of ownership at HealthPharm (Leicester) Ltd . As part of our ongoing restructuring, we need to transfer the legal ownership of HealthPharm (Leicester) Ltd to Healthpharm Group Ltd.
- 3.3 It is important to note that there will be no change in service provisions or ownership details and Regulation 31 is not fit for purpose in this case. We are simply changing the ownership. The current company HealthPharm (Leicester) Ltd is closing down.
- 3.4 I am unable to understand why the ICB has rejected this application, given that there will be no impact on service delivery or the population served.
- 3.5 I kindly request your prompt response as the entire project is contingent upon the approval of this change of ownership. Please action this appeal as urgent.”

### 4 **Summary of Representations**

No representations were received by NHS Resolution in response to the appeal.

### 5 **Consideration**

- 5.1 The Pharmacy Appeals Committee (“Committee”) appointed by NHS Resolution, had before it the papers considered by the Commissioner.
- 5.2 It also had before it the responses to NHS Resolution’s own statutory consultations.
- 5.3 On the basis of this information, the Committee considered it was not necessary to hold an Oral Hearing.
- 5.4 The Committee first considered Regulation 31 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 (“the Regulations”), which states:

*(1) A routine or excepted application, other than a consolidation application, must be refused where paragraph (2) applies.*

*(2) This paragraph applies where -*

*(a) a person on the pharmaceutical list (which may or may not be the applicant) is providing or has undertaken to provide pharmaceutical services ("the existing services") from -*

*(i) the premises to which the application relates, or*

*(ii) adjacent premises; and*

*(b) NHS England is satisfied that it is reasonable to treat the services that the applicant proposes to provide as part of the same service as the existing services (and so the premises to which the application relates and the existing listed chemist premises should be treated as the same site).*

- 5.5 As noted above at paragraphs 1.7 to 1.11, in Part 5 of the application form, the Applicant had stated *"PLEASE NOTE THIS IS A CHANGE OF OWNERSHIP ONLY. FROM HEALTHPHARM LEICESTER LTD TO HEALTHPHARM GROUP LTD. THERE IS NO OTHER CHANGES TO OWNERSHIP OR SERVICES. THIS IS DUE TO RESTRUCTURING OF THE COMPANIES IN THE GROUP. HEALTHPHARM LEICESTER LTD will cease to be open and will be closed down."* [Applicant's emphasis].
- 5.6 The Committee noted that the Commissioner had sought to refuse the application on the provisions of Regulation 31. The Committee considered that, as the application was not a consolidation application, it must be refused if both Regulation 31(2)(a) and 31(2)(b) were to apply.
- 5.7 There is no dispute between the parties that Healthpharm Group Ltd and Healthpharm Leicester Ltd have a shared ownership and that the directors and Superintendent Pharmacist of both companies are the same.
- 5.8 The Committee further noted the comment from the Applicant that it needs to transfer the legal ownership from HealthPharm Leicester Ltd to Healthpharm Group Ltd.
- 5.9 The Committee first considered Regulation 31(2)(a).
- 5.10 The Committee noted the Applicant's comment that *"It is important to note that...Regulation 31 is not fit for purpose in this case"*.
- 5.11 Whilst the Applicant had not specified which part of Regulation 31 "is not fit for purpose", the Committee was mindful that it is not disputed that a person on the pharmaceutical list, Healthpharm Leicester Ltd, is providing pharmaceutical services from the premises to which the application relates i.e. Healthpharm Leicester Ltd t/a Healthpharm @ Saffron Health. Consequently, the Committee considered that Regulation 31(2)(a) applied.
- 5.12 The Committee next considered whether Regulation 31(2)(b) applied.

- 5.13 The Committee was mindful of the Judgement ‘R (Pharmacy Care Plus) v Family Health Services Appeals Unit [2013] EWHC 824 (Admin)’. The Committee considered that this case would likely provide a guide to interpreting Regulation 31(2)(b). Having regard to it the Committee noted the following wording:

*“It will almost always be an extremely relevant consideration to know whether or not there is any connection in terms of ownership and control between the entities who carry on the existing business and who propose to carry on the proposed new business. So, for example, if an existing business was owned by Company A and the proposed business was owned by Company B, and there was absolutely no connection at all in terms of ownership and control between the two of them, it would be difficult to see how they could be regarded as providing the same service, even if the service which they were going to provide were complementary to each other. In contrast, if they were both to be provided by exactly the same company, then that would also be an extremely relevant consideration going the other way.”*

- 5.14 The Committee noted that the language used by Davies J was not such that if the services were to be provided by the same company this should be definitive but rather that it would be an “extremely relevant consideration”. The Committee considered, therefore, that where an applicant is making a routine or excepted application, other than a consolidation application, and the premises to which the application relates, or the adjacent premises, are run by the same directors, then the starting point should be that the application should not be granted under Regulation 31(2)(b). This is on the basis that the connection between the existing and proposed pharmacies would be such that, in most circumstances, the condition set out in Regulation 31(2)(b) would be met.
- 5.15 The Committee considered that this is not an irrebuttable presumption and that circumstances might arise whereby, despite the close connection, the application may not need to be refused. The Committee specifically noted that Regulation 31(2)(b) includes a reasonableness element. It is not, therefore, merely factual but provides for some level of discretion in its application.
- 5.16 The Committee was mindful that where a change of ownership was made under Regulation 26 the new owner will replace the original owner in the pharmaceutical list under Regulation 75(1). The Committee noted that Regulation 75(1) provides that:

*75.-(1) If, as a consequence of a change of ownership application or a consolidation application, an NHS chemist (C) is no longer to be the person listed in a pharmaceutical list in relation to a particular pharmacy premises—*

*(a) if there are other chemist premises listed in the pharmaceutical list in relation to C, NHS England must remove the listing of the particular premises in relation to C from that list; or*



*(b) if there are no other chemist premises listed in that pharmaceutical list in relation to C, subject to regulation 76, NHS England must remove C from that pharmaceutical list.*

5.17 The Committee noted that where a successful change of ownership application is made, and the notice of commencement is made under Schedule 2 paragraph 34, then, when the Commissioner updates the relevant pharmaceutical list, the preceding entity must be replaced by the incoming entity. The Committee considered that a change of ownership application will not allow for the continued existence of the pharmacy that is to be changed. The Committee noted that the notice of commencement was necessary for the new owners to be included in the pharmaceutical list; it could not begin to provide services without it. The Committee considered that, if there was no notice of commencement, the existing pharmacy owners would continue to provide services, and the new pharmacy owners would not. The Committee concluded that the combined operation of paragraph 34 of Schedule 2 and Regulation 75 was such that either the new owner could operate, or the old owner could operate, but would not permit both owners to operate at the same time.

5.18 The Committee was mindful that NHS Resolution's guidance note on Regulation 31 states that the Department of Health guidance clearly indicated the intent of Regulation 31:

*"The purpose of this regulation is to prevent a contractor from applying for multiple inclusions in a pharmaceutical list at the same address with no benefit to patients."*

5.19 The Committee considered that this elaborated on the point that the operation of Regulation 31 was to prevent there being two pharmacies operating at the same location.

5.20 Following this, the Committee then considered if it would be reasonable to treat the proposed services as part of the same service as the existing services in accordance with the wording of Regulation 31(2)(b). The Committee considered that, despite there being a commonality of directors for both companies, this mandated removal from the pharmaceutical list under Regulation 75 and Schedule 2 paragraph 34 needed to be accounted for. The Committee noted that the application of Regulation 75 was automatic, mandated and specific. It considered that the existing services would have to, by necessity, cease when the new owner was entered into the pharmaceutical list, as they would no longer be on the pharmaceutical list and so no longer be able to operate under the Regulations. The Committee therefore concluded that there could not be two operational pharmacies, as a result of Regulation 75, aligning with the understood intention of Regulation 31.

5.21 The Committee also noted that existing guidance on Regulation 31 did not refer to any determinations that were pure change of ownership applications, as is the case in this appeal. The Committee considered that other routine or excepted applications that do not mandate the removal of the existing owner should, by necessity, be treated entirely differently to the current appeal. The Committee considered that if there was any possibility for the continued service

provision by the existing contractor this would result in it requiring the application to be refused. The Committee also considered that each change of ownership needed to be considered on its own facts as there may be certain circumstances that lead to it being reasonable to determine that Regulation 31(2)(b) is satisfied and the application should be refused.

5.22 The Committee considered that it is not required to refuse the application pursuant to Regulation 31 as, due to the mandatory requirement to remove Healthpharm Leicester Ltd from the pharmaceutical list, it would not be reasonable to treat the services currently being provided by Healthpharm Leicester Ltd as part of the same services that would be provided by Healthpharm Group Ltd, under the application.

5.23 Pursuant to paragraph 9(1)(a) of Schedule 3 to the Regulations, the Committee may:

5.23.1 confirm the Commissioner's decision;

5.23.2 quash the Commissioner's decision and redetermine the application;

5.23.3 if it considers that there should be a further notification to the parties to make representations, quash the Commissioner's decision and remit the matter to the Commissioner.

5.24 The Committee went on to consider whether there should be a further notification to the parties as detailed at paragraph 19 of Schedule 2 of the Regulations to allow them to make representations if they so wished (in which case it would be appropriate to remit the matter to the Commissioner) or whether it was preferable for the Committee to redetermine the application, in relation to Regulation 26(1). However, as a change of ownership application under Regulation 26(1) is not a notifiable application, then paragraph 19 of Schedule 2 of the Regulations did not apply to this appeal. Consequently, paragraph 9(1)(a)(iii) did not apply and the Committee was unable to remit the decision to the Commissioner.

5.25 Given that the Committee had found that the application should not have been refused under Regulation 31, the Committee determined that the decision of the Commissioner must be quashed. The Committee noted that, although the Commissioner had refused the application under Regulation 31, it had gone on to consider Regulation 26(1) within its determination. The Committee therefore proceeded to consider Regulation 26(1).

5.26 The Committee noted Regulation 26(1) (*Change of ownership applications*) of the Regulations, which reads:

*"Section 129(2A) of the 2006 Act (regulations as to pharmaceutical services) does not apply to an application from a person who is not included in a pharmaceutical list for inclusion in the list, or from a person included in a pharmaceutical list for inclusion in that list also in respect of other premises than those already listed in relation to that person, if-*

*(a) the applicant (X) is undertaking to provide pharmaceutical services at premises-*

- (i) *that are already listed chemist premises, and*
- (ii) *at which another person (Y) is providing pharmaceutical services;*
- (b) *X is proposing to carry on at the listed chemist premises, in place of Y, the business in the course of which Y is providing pharmaceutical services at those premises;*
- (c) *X is undertaking to provide the same pharmaceutical services as those that Y is providing; and*
- (d) *the provision of pharmaceutical service at the premises will not be interrupted (except for such period as NHS England may for good cause allow)."*

5.27 The Committee noted that the Regulations are specific in the conditions an applicant must satisfy, if its proposed change of ownership is to succeed.

5.28 The Committee has considered each of these paragraphs in turn, applying them to the information provided in the Application Form, unless (in relation to any of those paragraphs) the Applicant has provided amended/updated information.

*Regulation 26(1)(a)*

5.29 The Committee noted there is no dispute that the application is in respect of listed chemist premises at 509 Saffron Lane, Leicester, LE2 6UL at which another person is providing pharmaceutical services.

5.30 The Committee was satisfied that this was sufficient for the purposes of paragraph (a).

*Regulation 26(1)(b)*

5.31 The Committee noted the Applicant is proposing to carry on at the listed premises in place of Healthpharm Leicester Ltd t/a Healthpharm @ Saffron Health, the business in the course of which Healthpharm @ Saffron Health is providing pharmaceutical services at those premises.

5.32 The Committee was satisfied that this was sufficient for the purposes of paragraph (b).

*Regulation 26(1)(c)*

5.33 The Committee noted the Applicant intends to provide the services as those provided by the existing pharmacy.

5.34 The Committee was satisfied that this was sufficient for the purposes of paragraph (c).

*Regulation 26(1)(d)*

- 5.35 On the information before it, the Committee was satisfied that were the actual change of ownership to take place, no interruption, as described in paragraph (d), would occur.

*Consequences of satisfying paragraphs (a) to (d) of Regulation 26(1)*

- 5.36 Being satisfied of the various matters set out in Regulation 26(1), the Committee considered that the application should be granted.

## **6 Decision**

- 6.1 The Committee quashes the decision of the Commissioner and re-determines the application.
- 6.2 The Committee concluded that it was not required to refuse the application under the provisions of Regulation 31.
- 6.3 The Committee has determined that it should be granted on the following basis:
- 6.3.1 the Applicant is proposing to continue in place of the existing contractor, the business in the course of which that contractor is providing pharmaceutical services at the same premises;
  - 6.3.2 the Applicant can provide the same pharmaceutical services as those that the existing contractor is providing;
  - 6.3.3 that the provision of pharmaceutical services will not be interrupted (except for such period as the Commissioner may for good cause allow).
- 6.4 The application is granted.

### **Case Manager Primary Care Appeals**