

LETTERS

PRIVATE SOCIAL ENTERPRISE

Circle Health is not like the John Lewis Partnership

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It is nonsense to describe Circle Health as a “John Lewis style social enterprise.”¹ As the *Observer* has described in some detail, it is a loss making private business with financial arrangements that are far more complex than this article portrays. Staff shares amount to only 49% of the total number of shares, and the staff’s decision making powers are far less than even this suggests.² It would have been more helpful if, instead of trotting out the official line on this bizarre exercise, we could have had a serious discussion about how Circle Health can possibly make any money from this venture—given that this has baffled many independent commentators—and why so many hedge fund

managers have rushed to invest in it. Is it simply a loss leader for richer pickings elsewhere? Something doesn’t add up.

Competing interests: None declared.

- 1 Hawkes N. NHS hospital is taken over by a private social enterprise. *BMJ* 2011;343:d7341. (11 November.)
- 2 Circle Health—the “social enterprise” run by the world’s hardest hedge fund managers. *Observer* 2011. www.guardian.co.uk/business/2011/nov/13/circle-health-social-enterprise-hedge-fund-manager?INTCMP=SRCH.

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