

## **FOR IMMEDIATE RELEASE**

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### **CCP recommends proposed merger of NHS Richmond and NHS Hounslow provider services arms be allowed**

The Co-operation and Competition Panel (CCP) has recommended to the Department of Health that the proposed merger of NHS Richmond and NHS Hounslow provider arms be allowed to proceed but issues a warning based on its findings.

The recommendation follows a review of the proposed merger under the Principles and Rules for Cooperation and Competition.

CCP Director, Andrew Taylor commented:

“The CCP has found that the proposed merger will not impose any significant costs on patients or taxpayers by reducing the scope for patient choice or competition. It is now essential that the newly merged provider arm works to deliver high quality care for patients and value for taxpayers.”

Reflecting further on the case, Mr Taylor warned:

“In our view the earlier management alliance involving Richmond Provider Services and Hounslow Provider Services constituted a reviewable merger under the Principles and Rules and should have been referred to the CCP before it came into effect.

The risks to organisations of putting a merger into effect without CCP approval are serious. If a subsequent CCP review was to conclude that such a merger is inconsistent with the Principles and Rules it may recommend the merger parties be separated. This would no doubt have significant consequences for the organisation concerned, its employees and patients.

For the avoidance of doubt, the CCP expects parties to seek prior approval for management alliances or other arrangements that place previously separate organisations under common control. Where there is any uncertainty as to whether a proposed arrangement constitutes a reviewable merger under the Principles and Rules, parties should seek informal advice from the CCP.”

**ENDS**

**Notes to Editors:**

1. The Cooperation and Competition Panel's (CCP) report and further information on the CCP's approach to analysing mergers is available on the CCP's website at [www.ccp-panel.org.uk](http://www.ccp-panel.org.uk)
2. London SHA will now consider the CCP's recommendation.
3. The CCP was formally established following a Written Ministerial Statement in the House of Commons from the Minister of State for Health Services on 29 January 2009. It advises on the application of the Principles and Rules of Co-operation and Competition, and makes independent recommendations to Strategic Health Authorities, the Department of Health and, in relation to NHS Foundation Trusts, Monitor, on how such breaches should be resolved. The Panel is chaired by Lord Carter of Coles and its membership comprises Guy Beringer QC, Laura Carstensen, Professor Dame Janet Husband, Professor Peter Smith, John Swift QC, Andrew Taylor and John Wotton.
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