

**CHIEF EXECUTIVE'S OFFICE**

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Our ref: MD/MJ

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Tristan Godfrey  
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Dear Tristan

Re: **Health & Overview & Scrutiny Committee Meeting – 22 July 2011**

Further to your invitation for us to attend the above meeting.

Please find listed below answers to your questions.

**1. What are the reasons for considering closer partnership and possible merger?**

With significant changes and challenges for the Trust in mind, over the last year there has been a large element of innovative thinking to ensure that under the current economic environment, and with the proposed changes to the NHS under the government's Health and Social Care Bill, we can continue to provide excellent healthcare, to the highest standards for local people. You may be aware that in March this year Medway NHS Foundation Trust and Dartford & Gravesham NHS Trust, which runs Darent Valley Hospital, announced plans to explore the feasibility of integrating the two organisations. Over the past year, successful collaborative working has been taking place between the trusts in both clinical and non-clinical areas; this includes work in urology, pathology and information technology. This has shown there are more efficient and cost effective ways in which we can work. However, the decision to explore a longer-term partnership arises for a number of reasons.

Underpinning the decision to explore integration, is our belief that joining the two trusts could lead to a strengthening of services at both hospitals as well as in the region as a whole. For example, we can improve patient experience and care through sharing best practice, and we can maximise the use of each hospital's facilities and estate, increasing the scope and range of services we provide. A stronger, integrated organisation could allow for improved access to specialist services too, preventing the need for local patients to make long and expensive journeys to hospitals in London. Essential services, like emergency departments and maternity, will remain local to both Medway and Dartford – the purpose of integration would be to build on the range and quality of local services we already have.

Feasibility testing is currently underway and within this work we are examining all the services offered by each of the trusts taking account of specialist expertise, service quality and financial performance to identify the options available to us. We will also be looking at ways in which we could harness the cultural strengths of both hospitals to ensure we lay the foundations for an excellent and thriving organisation. The entire process will be open to scrutiny – we will consult with staff, patients, the public, governors, GPs, commissioners, LINKs and local authorities. Any decision will be subject to a thorough process requiring approval from the Department of Health and Monitor, the Foundation Trust’s regulator.

**2. What could be the possible consequences of not doing so?**

There is no acceptable “Do nothing “option for either Trust. The financial realities of the next 4-5 years mean that redesign of hospital infrastructure are inevitable. The two Trusts feel that approaching this together will have a more constructive outcome than doing so separately. Dartford and Gravesham NHS Trust must find a pathway to Foundation Trust status over the next few years. Should this partnership not be an option, then an alternative would have to be found.

**3. What are the implications for the range and location of health care services delivered at both sites?**

Core services including A&E, Maternity and Children’s services will be maintained at both hospitals. More specialist services including new services developed as a result of the integration opportunity may be located at one hospital or the other. These decisions would be based on a balance of population and economic factors.

**4. Can you set out the timescale for your developing partnership and explain the stages it is required to go through?**

The present stage of feasibility testing will continue until the end of September. If at that stage both Trust Boards are assured of feasibility then a formal Transaction process will commence which would take place over a 9-10 month period.

**5. What are the biggest challenges to achieving a successful outcome?**

Demonstrating financial viability in the context of a decreasing NHS spend envelope within the acute hospital sector is the main challenge, although this challenge also exists independently for both Trusts

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6. **Does the existence of a Private Finance Initiative scheme at Darent Valley pose any particular challenges?**

The PFI does present particular challenges, which we would be happy to discuss with the committee.

Yours sincerely



**Mark Devlin**  
Chief Executive  
Medway NHS Foundation Trust



**Susan Acott**  
Chief Executive  
Dartford & Gravesham NHS Trust