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Mr Michael Snelling
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Ref: HOSCSeptember2012.doc

22 August 2012

Dear Mr Snelling,

Re: Health Overview and Scrutiny Committee Meeting – 7th September 2012

Further to your letter, please find our written update on the integration between Medway NHS Foundation Trust and Dartford and Gravesham NHS Trust below.

1. Timeline and progress update

1.1. Timeline update

We are on track to integrate and become one trust in spring 2013.

1.2. Co-operation and Competition Panel (CCP) update

The CCP have been considering the impact of integration on patient choice and competition since February 2012. This is part of the normal NHS merger process. In April 2012, they decided to extend their investigation into a second phase. They were due to conclude this phase by 6 August, however, they have 'paused' the process for a short time, with the trusts' agreement. They will use this time to gather further information from the trusts and, should potential loss of choice or competition be identified, work with ourselves, commissioners and possibly other healthcare providers to agree mutually acceptable remedies or measures. We understand that they expect to conclude the phase by the end of August. Monitor and the Department of Health will consider the CCP's final recommendation alongside the trusts' plans during the approval process.

1.3. Public engagement update

An analysis report on the first phase of public engagement has been published on both trusts' websites. It outlines who the trusts engaged with and how, as well as the feedback received and how it is being used to shape plans. Phase two of the engagement process is being planned and will take place following the submission of the business plans to regulators. The trusts continue to meet with community groups, borough councils and individuals, on request.

1.4. Business plan update

Both Trust Boards have considered draft versions of the business plans, which are now being finalised ready for submission. These documents include: Integrated Business Plan, Full Business Case (which will form the basis of the divestment case that the NHS South of England will put forward) and Post-transaction Implementation Plan (outlining the processes in place to enable the trust to operate effectively on day 1 and beyond, as well as the timely achievement of integration benefits). The Full Business Case and Post-transaction Implementation Plan have also been shared with NHS South of England throughout the process, to ensure that they meet their requirements.

2. South London Healthcare NHS Trust

Susan Acott, Chief Executive of Dartford and Gravesham NHS Trust, has met with the Special Trust Administrator appointed to South London Healthcare NHS Trust (SLHT), Matthew Kershaw, to better understand the process they are going through. We understand that a report will be published in October, making recommendations. Dartford and Gravesham NHS Trust have expressed their interest in supporting and being a part of the solution to SLHT's situation, and are participating in a number of working groups set up by the Special Trust Administrator. The Integrated Trust could benefit from providing elective services to South London patients, providing the resources and facilities are carefully planned.

3. Dartford and Gravesham NHS Trust's PFI

Ongoing financial support for Dartford and Gravesham NHS Trust's PFI is still being discussed with NHS South of England (Strategic Health Authority) and the Treasury. Mark Reckless MP (Rochester and Strood) has requested a meeting with the Minister, Simon Burns MP, to gain clarity and reassurance on this matter. This support is an essential part of the integration deal and we are very keen to know the outcome.

With regards to recent media coverage concerning expert teams from the Department of Health assisting trusts with their PFI agreements, Dartford and Gravesham NHS Trust has not been directly communicated with by the Department of Health. We can confirm that two leading accountancy firms have recently reviewed the PFI contract and we are now working on their findings, to ensure that our contract is good value for money and that we are fully realising the benefits from the agreement. However, we welcome any additional help that the Department of Health may offer.

We will be happy to provide any further information in November.

4. Name for the integrated trust

As part of our first phase of engagement, we asked about a new name for the integrated trust, to represent the wider population and geographical area the trust will serve. A number of options were suggested and the two most popular choices were: North Kent NHS Foundation Trust and North Kent Hospitals NHS Foundation Trust. Of these names, we have a preference for North Kent NHS Foundation Trust. This is because we do not solely offer hospital-based services, and would like the opportunity to develop more in the future, therefore including 'Hospitals' would be less accurate.

We would like to invite Kent Health Overview and Scrutiny Committee to discuss and formally respond to us with the committee's opinion on the name for the integrated trust by 14 September.

Thank you for this opportunity to provide an update to members and we look forward to attending the HOSC meeting in November. Should members have any questions in the meantime, please do not hesitate to contact us.

Yours sincerely



Mark Devlin
Chief Executive
Medway NHS Foundation Trust



Susan Acott
Chief Executive
Dartford and Gravesham NHS Trust