



FOR IMMEDIATE RELEASE

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The CCP recommends the proposed merger of Portsmouth Community and Mental Health Services and Southampton Community Healthcare be allowed to proceed

The Co-operation and Competition Panel (CCP) has recommended to the Department of Health that the proposed merger of Portsmouth Community and Mental Health Services and Southampton Community Healthcare be allowed to proceed.

The recommendation follows the CCP's review of the proposed transaction under the Principles and Rules for Co-operation and Competition and its finding that the acquisition would not give rise to any adverse effect on patients or taxpayers as a result of a loss of choice or competition.

The proposed merger will see Portsmouth Community and Mental Health Services transfer from Portsmouth PCT to Southampton PCT. Southampton PCT will, at the same time, enter into a community services agreement with Portsmouth PCT for the provision of community services by the merged entity. Portsmouth PCT will retain full ownership and control over the premises currently used by Portsmouth Community and Mental Health Services.

CCP Director Andrew Taylor commented:

"Having assessed the proposed merger we are of the view that it is unlikely to impose any material costs on patients or taxpayers by reducing the scope for patient choice or competition. There are a large number of potential credible bidders for community service contracts in Hampshire, and in Portsmouth and Southampton the merging parties do not currently compete. Therefore, in our view, the merging parties would in future, if the merger were not to proceed, represent only a weak competitive constraint upon one another."

Mr Taylor added:

"We also considered that there are a large number of potential credible bidders for mental health service contracts in Hampshire, Portsmouth and Southampton PCT areas. Therefore, in our view, the merger would not have a material effect on the extent of patient choice or competition for community or mental health service contracts in the three PCTs concerned."

ENDS

Notes to Editors:

1. The Cooperation and Competition Panel's (CCP) report and further information on the CCP's approach to mergers is available on the CCP's website at www.ccp-panel.org.uk.
2. The Department of Health and South Central Strategic Health Authority will now consider the CCP's advice and recommendation.
3. The Principles and Rules for Co-operation and Competition (Principles and Rules) form the basis of the Department of Health's policy of managing cooperation and competition in the NHS in a fair, consistent and transparent manner. The Principles and Rules aim to ensure the NHS comprises of providers and commissioners who deliver the needs of their patients and population. The Principles and Rules also encourage providers and commissioners to co-operate to foster patient choice and offer patients a healthcare experience which supersedes organisational boundaries, whilst maintaining service continuity and sustainability. The role of the CCP is to advise on the application of the Principles and Rules.
4. For inquiries about the Co-operation and Competition Panel contact Tom Frusher, Policy and Communications Director, on 0207 270 5442/07825 256 530 or visit www.ccp-panel.org.uk.