

**ANTICIPATED PATHOLOGY JOINT VENTURE BETWEEN BASILDON AND THURROCK
UNIVERSITY HOSPITALS NHS FOUNDATION TRUST, SOUTHEND UNIVERSITY
HOSPITAL NHS FOUNDATION TRUST AND INTEGRATED PATHOLOGY
PARTNERSHIPS LIMITED**

**ADVICE TO THE COMPETITION AND MARKETS AUTHORITY UNDER SECTION 79(5)
OF THE HEALTH AND SOCIAL CARE ACT 2012**

31 JULY 2014

On 2 July 2014, the Competition and Markets Authority (CMA) notified Monitor, under section 79(4) of the Health and Social Care Act 2012 (Health and Social Care Act), that it had decided to carry out an investigation under Part 3 of the Enterprise Act 2002 (Enterprise Act) of the anticipated pathology joint venture between Basildon and Thurrock University Hospitals NHS Foundation Trust, Southend University Hospital NHS Foundation Trust and Integrated Pathology Partnerships Limited.

Under section 79(5) of the Health and Social Care Act, as soon as reasonably practicable after receiving a notification under section 79(4), Monitor must provide the CMA with advice on the following matters:

- a. the effect of the matter under investigation on benefits (in the form of those within section 30(1)(a) of the Enterprise Act (relevant customer benefits)) for people who use health care services provided for the purposes of the NHS; and
- b. such other matters relating to the matter under investigation as Monitor considers appropriate.

This document constitutes the advice that we must provide under section 79(5) of the Health and Social Care Act.

Monitor's advice on relevant customer benefits

The joint venture parties told us they expect the anticipated joint venture will result in improvements for patients based on ensuring required pathology test turnaround times are met, enhanced safety through the harmonisation of IT systems and financial savings through the realisation of economies of scale.

The joint venture parties have, however, told us they are of the view that the anticipated joint venture does not give rise to a realistic prospect of a substantial lessening of competition. Accordingly, the joint venture parties do not believe the CMA will need to consider whether there are any relevant customer benefits (as set out in the Enterprise Act) in relation to the anticipated joint venture. The joint venture parties have therefore decided not to submit a benefits case and supporting evidence to Monitor.

In this case, as the joint venture parties have not provided Monitor with a benefits case, our advice is that we are not able to determine that any relevant customer benefits for the purposes of the Enterprise Act will arise.