

CMA clears NHS hospital trusts merger

In 2013, the Competition and Markets Authority's (CMA) predecessor, the Competition Commission, prohibited a [previous merger proposal](#) between the hospital trusts. As a result, they were required to enter into a 10-year commitment not to merge without the CMA's permission.

When investigating an NHS hospital merger, the CMA considers the potential impact of that merger on competition between hospitals. Since the Competition Commission's decision, there have been significant changes to policy within the NHS that have affected the role that competition plays in the provision of public healthcare services.

The CMA's investigation in this case has confirmed that competition between NHS hospitals now plays little role in the provision of NHS services in the east Dorset area, with collaboration often viewed as a better way to meet increasing demands for care and deliver better value. In particular, the CMA found that the 2 hospital trusts have limited incentive to compete with each other, given the way that they are now funded, and so there would be no significant loss of competition in this area after the deal.

The CMA has therefore concluded that the merger does not give rise to competition concerns and should be cleared. The CMA has, in parallel, also released the hospitals from the commitment not to merge that they had given in 2013.

Throughout its investigation, the CMA worked closely with the sector regulator, NHS Improvement, and engaged with local commissioners, who are responsible for planning and commissioning healthcare services in their local area. These NHS bodies fully supported the merger. The CMA also carefully considered all views and evidence provided by patients and their representative groups, local authorities and other interested bodies.

The CMA started to discuss the merger with the two hospitals in 2019. Its information-gathering with the trusts and other NHS bodies was completed before the coronavirus (COVID-19) pandemic. The CMA has been conscious of the exceptional pressures on the hospitals at this time when finalising its investigation.

Looking ahead to future hospital mergers, the CMA is aware of [longer-term plans to exempt mergers between NHS hospitals from CMA review](#), which it fully supports.

For more information, visit the CMA's dedicated webpage for the [Royal Bournemouth and Christchurch Hospitals / Poole Hospital NHS Foundation Trusts merger investigation](#).

For media enquiries, contact the CMA press team on 020 3738 6460 or press@cma.gov.uk.