

# Press release: Competition concerns found in adult mental health care merger

Universal Health Services, Inc. – through its subsidiary Cygnet Health Care Limited (Cygnet) – acquired Cambian Adult Services (CAS) in December 2016. Both companies operate hospitals that provide inpatient rehabilitation services to patients suffering from long-term mental illness.

Rehabilitation services provide patients suffering from a variety of mental illnesses with ongoing support as they recover. Ultimately they aim to help patients re-gain their independence and re-integrate into the community.

After the Competition and Markets Authority's (CMA) initial investigation into the merger, it was referred for a more in-depth, phase 2, investigation in May 2017.

In the [summary of provisional findings](#) published today, 2 local areas in England have been identified where the 2 companies' hospitals are close competitors, such that the merger would be expected to result in a substantial lessening of competition (SLC).

The inquiry group conducting the phase 2 investigation found that clinical commissioning groups (CCGs), as the main customers of these types of hospitals, would face a reduction in choice, quality or value as a result of the merger when seeking to refer male patients in the East Midlands and female patients in the West Midlands suffering from long-term mental illness.

As well as the provisional findings, a notice of possible remedies has been published which outlines ways the companies could address these competition concerns, including the sale of hospitals in the local areas where an SLC has been provisionally found.

Simon Polito, Chair of the inquiry group, said:

Mental health hospitals are a vital part of our healthcare system, caring for some of the most vulnerable in our society. The needs of patients are complex and varied and NHS trusts and CCGs need access to a range of facilities and treatment options to help ensure they can deliver the best outcomes for each individual patient.

Factors such as how close the hospital is to a patient's home and family, the quality of the hospital and its track record, all play into making the right referral decision for a given patient.

NHS budgets are under ever-increasing strain. Having a variety of hospitals to choose from when referring patients in the local area is key to ensure quality, service and the best value possible.

We have provisionally concluded that the merger may mean there is not enough choice for NHS customers to help them get the best outcomes for patients suffering from long-term mental health issues in the East and West Midlands. We now await the companies' views on our provisional findings and what action they will take to address our concerns.

## Notes for editors

1. Cygnet Health Care Limited operates 20 mental health hospitals in the UK.
2. CAS operates 61 mental health hospitals in the UK.
3. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
4. The summary of provisional findings can be found on the [case page](#). The CMA is required to publish its final decision by 17 October 2017.
5. On 22 February 2017 the CMA started its initial investigation and on 3 May 2017 the CMA referred it for a phase 2 investigation.
6. All the CMA's functions in phase 2 merger inquiries are performed by independent inquiry groups chosen from the CMA's panel members, and supported by CMA staff. The appointed inquiry group are the decision-makers on phase 2 inquiries.
7. The members of the inquiry group are: [Simon Polito](#) (Inquiry Chair), [Thomas Hoehn](#), [Jill May](#) and [Andrew Popham](#).
8. The CMA's panel members come from a variety of backgrounds, including economics, law, accountancy and/or business; the membership of an inquiry group usually reflects a mix of expertise and experience.
9. For more information on the CMA see our [homepage](#) or follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#). Sign up to our [email alerts](#) to receive updates on merger cases.
10. Media enquiries should be directed to Rebecca Cassar ([rebecca.cassar@cma.gsi.gov.uk](mailto:rebecca.cassar@cma.gsi.gov.uk), 020 3738 6633).

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# News story: UK Government reaction to GERS

Reacting to the Scottish Government's [GERS figures](#), published today, Scottish Secretary David Mundell said:

These figures from the Scottish Government are a cause for concern, and show clearly there is still much to be done to improve Scotland's economy.

They also highlight the value of pooling and sharing resources around the UK. Being part of a strong UK has protected our living standards, and that's one reason the people of Scotland clearly rejected Nicola Sturgeon's plan for a second independence referendum at the election.

Scotland's deficit is falling at a slower rate than the UK as a whole and economic growth is lagging behind. It is vital we grow the economy and we want to work with the Scottish Government to achieve that.

We will continue to invest in Scotland, with new initiatives such as UK City Deals, which have already seen around £1 billion of UK Government money committed to Scotland. I would also urge the Scottish Government to use their significant economic levers – including on tax, skills and getting people into work – to improve Scotland's economic future.

## Key facts

At -8.3% of GDP (£13.3 billion), Scotland's deficit is more than three times higher than that of the UK as a whole (-2.4%).

Public spending per person in Scotland is more than £13,000, compared with £11,739 for the whole of the UK. Since 2012-13, public spending per person in Scotland has been significantly higher than the UK average.

Scotland's borrowing per person is £2453, more than £1700 higher than the rest of the UK (£704 per person).

Scotland contributed 8% of UK tax and received 9.2% of UK spending in 2016-17.

Scotland's currently devolved tax revenues are up. This includes £4.6 billion from the Scottish Rate of Income Tax (SRIT), and raised a total of £10bn in

2016-17.

Scotland's geographical share of North Sea revenues increased from £56m last year to £208m in 2016/17. [NB: UK-wide revenues were £84m in 2016/17. The reason for this discrepancy is due to the allocation of tax relief on petroleum relief tax-paying fields, 40% of which are based in English waters).

Non-North Sea revenue in Scotland grew by 6.1% in 2016-17, similar to that for the UK as a whole at 6.2%. This relatively strong growth is driven by increased national insurance contributions and corporation tax revenue.

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## [Press release: Government to extend Green Flag Award for 5 more years](#)

The government will renew the Green Flag Award licence making sure that Britain's best parks and green spaces will be recognised and rewarded for another 5 years, Parks and Green Spaces Minister Marcus Jones announced today (23 August 2017).

The minister made his announcement in Rugby, a town that boasts not one but four Green Flag winning parks, many of which were originally derelict sites that have been transformed by the hard work of the community and the local council.

For 20 years, the [Green Flag Awards](#) have been recognising the best of outdoors spaces in the UK, allowing visitors to easily find quality parks and other green spaces to enjoy and setting standards for park managers across the country. Many parks have won the award, but winners also include more unusual spaces such as social housing developments, cemeteries, canals, and shopping centres.

The awards are run on behalf of the government by [Keep Britain Tidy](#), an environmental charity that campaigns for people's right to live and work in a place of which they can be proud.

Parks and Green Spaces Minister, Marcus Jones said:

I am very happy to confirm that the Green Flag Awards will be continuing, championing Britain's excellent parks and green spaces and the people behind them.

These awards are valuable not least because they reward local authorities and communities for their dedication to the great outdoors – and give locals and tourists an easy way to find quality

spaces to get outside, exercise and play

## **Award winning parks**

Centenary Park in Rugby is an example of a leading Green Flag park. The minister met volunteers who had helped turn a neglected allotment into a space for the whole community. The park now boasts a large play area, a games area, a green gym and nature area, including flowers to attract bees and butterflies.

The Newbold on Avon Community Association and Rugby borough council fought hard to secure over £215,000 to transform the neglected land. In addition to a well deserved Green Flag Award, Centenary Park was also named the most improved park by Fields in Trust in 2016 and received an award from the Department for Environment, Food and Rural Affairs for providing an excellent home for bees and other insect life.

Another Rugby park benefitted from a share of the Department for Communities and Local Government's £1.5 million to encourage urban communities to turn small, often derelict, pieces of land into 'Pocket Parks' for the benefit of all.

Rugby's Gladstone Green Pocket Park received £10,000 and now contains a vegetable patch for neighbours and a picnic spot to enjoy the produce they've grown themselves. This is part of a wider plan to encourage the New Bilton community to grow their own food. Gladstone Green won a Green Flag Community Award in 2017, a special award created to celebrate the hard working volunteers behind the nation's favourite green spaces.

These are just 2 examples of the almost 1,800 brilliant green spaces in the UK that have been awarded Green Flag status.

Chief Executive of Keep Britain Tidy, Allison Ogden-Newton said:

We welcome the extension to the Green Flag Award licence as we know how important the scheme has been in the renaissance of our parks over the past 20 years.

We are delighted that the announcement is being made in Rugby as they have shown how people benefit from the provision of quality parks and green spaces in particular in encouraging people to live healthier and more active lives.

Parks and Green Spaces Minister, Marcus Jones added:

My visit to Rugby demonstrated how parks and green spaces can breathe life into our towns and cities – contributing to the health and well being of the community.

I am very much looking forward to outlining our future plans to support Britain's parks in due course.

## **Further information**

The [Green Flag Award](#) accreditation scheme is the national quality standard for public green space, used by the vast majority of local authorities and a growing number of communities, universities and social housing providers to maintain and improve the quality of green space.

DCLG has operated the scheme under a concessionary licence to Keep Britain Tidy since 2012 and the current renewal ensures the scheme will continue until 2022. Running the scheme involves no financial investment by government. Any surplus from the fees that are collected is reinvested into the scheme by Keep Britain Tidy.

In 2016, 1797 Green Flag sites existed across the UK as well as 84 sites across 9 other countries which are currently piloting the scheme.

Since 2012 the scheme has been operating pilot schemes across a number of other countries. Currently there are 9 countries involved including Australia, Germany, Finland and the United Arab Emirates. Internationally the scheme is considered a flagship for the management of green spaces.

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## **[Press release: Leeds Flood Alleviation Scheme wins large project of the year at NEC Awards](#)**

Phase 1 of the Leeds Flood Alleviation Scheme has scooped the Large Project of the Year award at this year's NEC awards in London.

The awards were announced at a recent NEC Users' Group Annual Seminar.

The driving force behind the award winning scheme is a dedicated project team made up of experts from Leeds City Council, Environment Agency, BMMjv (a joint venture between BAM Nuttall and Mott MacDonald) and ARUP.

Phase 1 of the Leeds Flood Alleviation Scheme is one of the largest river flood defence projects in the country. Led by Leeds City Council in partnership with the Environment Agency, it aims to provide an increased level of protection against flooding from the River Aire and Hol Beck for 3,500 residential properties and businesses in the city centre. The scheme also includes flood risk reduction at Woodlesford.

One of the key aspects of the scheme is the replacement of Victorian weirs at Crown Point and Knostrop in the city, with innovative moveable weirs, which are being used for the first time as a flood defence in the UK. The new moveable weirs can be lowered in flood conditions to reduce river levels and the threat of flooding. The use of this technology has meant lower flood defence walls elsewhere in the city, to help preserve connectivity with the waterfront.

The floods experienced in December 2015 reinforced just how important this scheme is for the city of Leeds. Widespread flooding from some of the highest river levels ever recorded affected more than 2,000 residential properties and nearly 600 businesses.

The scheme was recognised for its 'one team' ethos with members of all partner organisations working side by side on a daily basis. This collaborative approach between client, contractor and consultant puts the project at the forefront of contract management, resulting in a project which is on programme and within budget despite being affected by some of the worst flooding Leeds has experienced.

The NEC Awards recognise excellence in project delivery and showcase examples of good practice through collaboration from across the world.

The site works for Phase 1 of the Leeds Flood Alleviation scheme started in January 2015 and are scheduled to be completed this September.

The project team is currently working on options for Phase 2 of the scheme, which will adopt a catchment-wide approach meaning the entire River Aire catchment area will be considered to help reduce flood risk in Leeds. Consultation on potential options is due to be carried out from September.

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## **[News story: Pubs Code Adjudicator \(PCA\) Bulletin August 2017](#)**

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