



PRESS RELEASE

For immediate release

PAC report reveals need to ensure level playing field in the provision of health information

Today's report by the Public Accounts Committee has highlighted the need for a level playing field in health informatics by questioning the process behind the NHS' £12m investment in a joint venture with Dr Foster.

Dr Foster Intelligence, the joint venture between the NHS Information Centre and Dr Foster, was launched in February 2006 at an event attended by then Health Minister Lord Warner of Brockley. Lord Warner backed the joint venture saying that it would help seed the market in health information. This claim has been widely-contested with critics pointing out that Dr Foster Intelligence has never operated in a fairly-contested market.

In the report Edward Leigh, chairman of the Public Accounts Committee, expresses his concern that the NHS invested in the joint venture without due diligence and paid a strategic premium for its stake in the company. "By pursuing its back room deal with Dr Foster LLP, the Department of Health failed in its duty to be open to Parliament and the taxpayer. There was no fair and competitive tendering competition, as laid down in public sector procurement guidelines. And Treasury guidance on joint ventures between public and private sectors was ignored. Instead, the deal was handed to Dr Foster on a plate," he said.

Graham Harries, chief executive, CHKS said: "The Public Accounts Committee has taken a dismal view of the joint venture but I hope that lessons will be learned and that we can move on swiftly and deliver what was originally intended - a vibrant and fair market in the provision of health information that will ultimately improve the quality of care the NHS provides."

Notes to editors:

CHKS Ltd is the leading independent provider of healthcare information and quality improvement services to the NHS and independent healthcare sector. With over 15 years' experience and working internationally with 450 clients, CHKS has a portfolio of information products, internationally-recognised accreditation programmes and consultancy services which provide clinicians and managers with the information needed to drive improvements in patient care, financial efficiency, clinical effectiveness and quality.

For media enquires please contact:

Julian Tyndale-Biscoe, InHealth Communications, on 07882 985597 or Paul Robinson, CHKS, on 07973 234830.

Head Office: CHKS Ltd, 1 Arden Court, Arden Road, Alcester, Warwickshire B49 6HN
Tel: 01789 761600 Fax: 01789 764608