17 February 2010



**NHS Foundation Trust** 

King's College Hospital NHS Foundation Trust

King's College Hospital Denmark Hill London SE5 9RS

Tel: 020 3299 9000 Fax: 020 3299 3445 Minicom: 020 3299 9009 www.kch.nhs.uk

Direct tel: 020 3299 2124 Direct fax: 020 3299 3436 Email: tim.smart@kch.nhs.uk

Councillor Lorraine Zuleta Chair Health & Adult Care Scrutiny Commission

By Email

Dear Councillor Zuleta

You will have seen a letter from Guys and St Thomas's Foundation Trust (GSTT) that has outlined the current financial outlook for the NHS and in particular for the South East London sector. As the letter details, we are adopting a joint approach to reduce costs and increase efficiencies across both Trusts. As King's Health Partners (KHP), we are working to ensure that the commissioning of specialist services maintains the high levels of service quality that Lambeth and Southwark residents have come to expect from their local hospitals.

The GSTT bid on behalf of KHP to run the provider arm of the local PCTs is an important part of our plans. If we are successful, we will be able to further reduce the number of hospital stays, improve outcomes and reduce overall system costs.

Like GSTT we are facing savings targets of around 10% in the coming financial year. The areas where we will be working most closely with GSTT on achieving these savings, will be within clinical and corporate functions where we will be identifying areas of duplication.

King's itself has a clear set of priorities and will be focusing on maintaining sustainability, service quality, medical productivity, average length of stay benchmarking and contracting efficiencies. These improved efficiencies should enable us to reduce our bed pool by some 60 beds without compromising our waiting lists.

We will continue to keep you and other stakeholders up to date with our progress, we will be working with our governing bodies and local LINks where appropriate, and will be happy to attend future OSC meetings on request.

Yours sincerely

Tim Smart Chief Executive

King's College Hospital NHS FT

## Copies:

Michael Parker, Chair - King's College Hospital NHS FT

Ron Kerr, CEO – Guy's and St Thomas' NHS FT Patricia Moberley, Chair – Guy's and St Thomas' NHS FT

Susanna White, CEO – NHS Southwark
Mee Ling Ng, Chair – NHS Southwark
Barry Silverman, Chair – Southwark LINKs
Edwina Morris, Interim Director for Adult Services – Southwark
Cllr David Noakes, Exec Member for Health & Adult Care – Southwark Council

Sarah Cottingham & Susanna Masters, COO - LSL Alliance

Rt Hon Harriet Harman MP Rt Hon Tessa Jowell MP