NHS
East Kent
Hospitals University
NHS Foundation Trust

REPORT TO EAST KENT BOARD OF DIRECTORS (BoD)

Report title: **Kent and Medway Pathology Network (KMPN) Assurance Report**

Meeting date: **4 December 2025**

Board sponsor: **Ben Stevens, Chief Strategy and Partnerships Officer (CSPO)**

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Appendices:

Appendix 1: KMPN Assurance Report

Executive summary:

Action required:	Information
Purpose of the Report:	This report provides an update for the East Kent Board on the progress in developing the KMPN Joint Venture and provides assurance that the agreed actions are underway.
Summary of key issues:	Progress continues to develop the KMPN Joint Venture in the three phases agreed by all Partner Trust Boards. The move to Phase 2, which introduces single management and governance, has been delayed from October 2025 to January 2026. This is due to a small number of key assurance actions not yet being completed, including the recruitment of a Head of Quality and the agreement of new operating models with each current Trust divisional teams. These actions are all underway and will be reviewed by the KMPN Board in early 2026.
Key recommendations:	That the East Kent Board, via the Joint Committee mechanism, continues to provide **SUPPORT** to ensure the successful development of the KMPN Joint Venture.

Implications:

Links to Strategic Theme:	• Quality and Safety • Patients • People • Partnerships • Sustainability
Link to the Trust Risk Register:	N/A
Resource:	N

We care

Legal and regulatory:	N
Subsidiary:	N

Previously considered by:
This report draws on the decision making of the KMPN Joint Committee.

Kent and Medway Pathology Network (KMPN) Assurance Report

25 November 2025

A single pathology service across Kent and Medway that delivers excellent care for our patients and our people

Moving to Phase 2 of the KMPN Joint Venture

Our journey to becoming a single managed service

Now to January 2026

January 2026 – April 2027

April 2027 (or beyond)

PHASE 1: TRANSITION

- New network governance structure being established
- New Joint Committee
- New Steering Groups
- Step down existing governance structures
- Recruitment to key new posts
- Preparation for changes in line management for senior pathology managers
- KMPN senior leadership team set up

PHASE 2: SINGLE MANAGEMENT AND GOVERNANCE

- Single management, separate staff and budgets
- Senior managers and clinicians will report into the network managing director and clinical director
- Pathology services and all other pathology staff will remain within each trust with their own budget
- New governance arrangements in place
- Delivery of transformation projects, including Laboratory Information Management Systems (LIMS)

PHASE 3: FULL SINGLE SERVICE – JOINT VENTURE

- Consolidation of Pathology Services
- Full single management
- Host organisation in place
- Transfer of staff and budgets to host organisation
- Delivering full benefits of transformation, harmonisation and standardisation.

Developing network

**Maturing network**

Thriving network

3

KMPN Governance Structure for Phase 2

The Speciality Groups, Clinical Quality and Safety Committee, and Operational Committee all feed into the KMPN Management and Governance Committee. Each of these are all internal facing KMPN Committees.

The KMPN Management and Governance Committee then feeds into the Finance and Investment; Quality and Safety, People and Culture, and Digital Steering Groups.

The Clinical Advisory Group sits separately and fees into the Clinical Steering Group and the Clinical Quality and Safety Committee.

All of the Steering Groups feed into the Joint Committee. The steering groups and Joint Committee are all Trust-facing working groups.
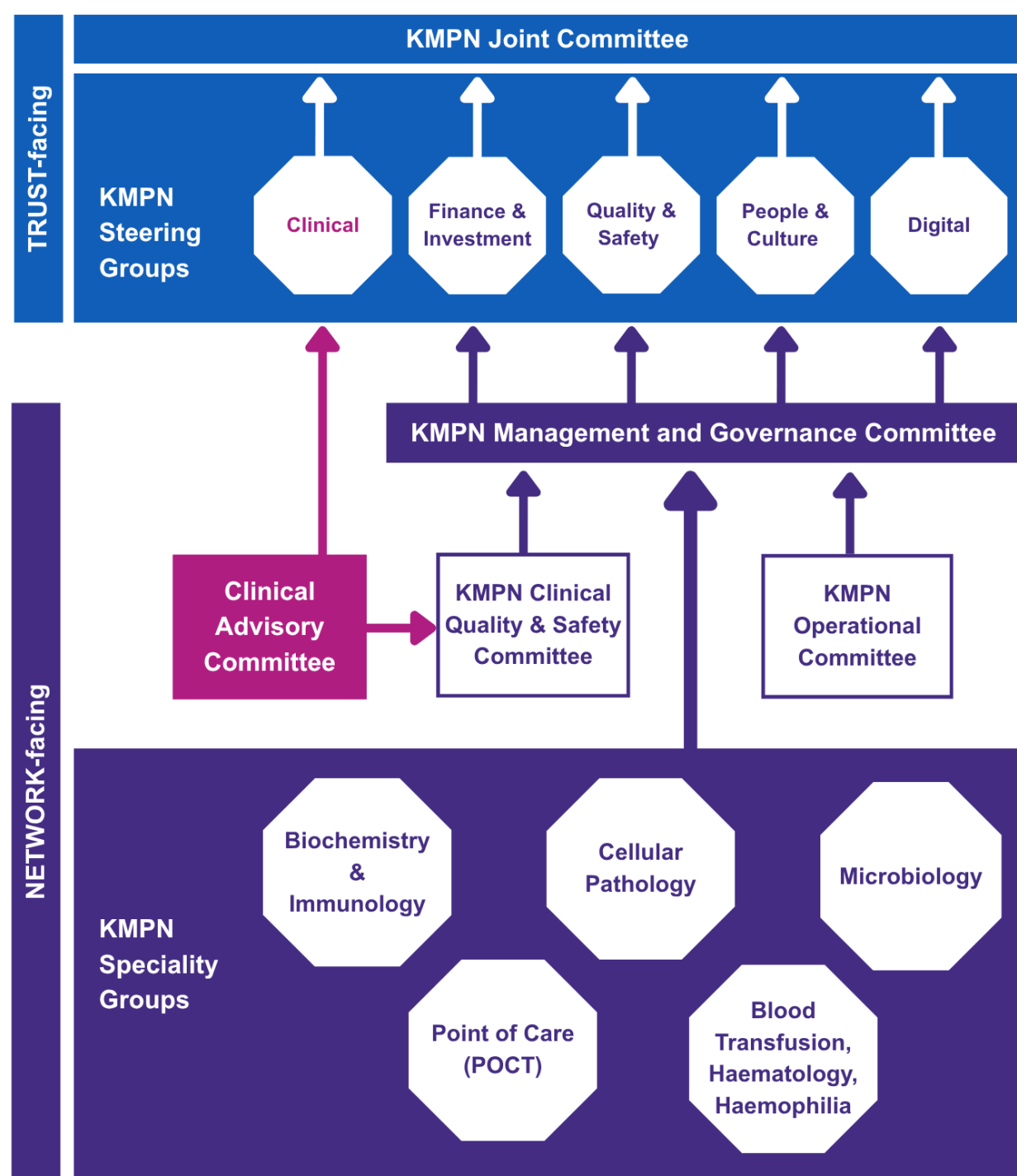
KMPN Governance: Steering Group role and examples of members

	KMPN Clinical Steering Group	KMPN Finance & Investment Steering Group	KMPN Quality and Safety Steering Group	KMPN People and Culture Steering Group	KMPN Digital Steering Group
Role	• Reviews and recommends changes to clinical pathways, practice or standards • Ensures alignment across system on KMPN clinical guidelines • ***Chaired by a Trust medical director***	• Proposes annual budget and monitors spend • Approves capital spend within envelope • Reviews business cases • Oversight of corporate governance	• Reviews performance and delivery of Key Performance Indicators (KPIs) • Assures delivery of accreditation • Manages risk • Oversight of clinical governance • Competency assessment	• Reviews and approves workforce plans and changes • Monitors recruitment and retention • Oversees education and training	• Monitors delivery of digital transformation programmes • Ensures alignment with Trust digital strategy
Example members	• Representation from the cancer boards • KMPN and Trust Clinical Directors, • KMPN Clinical Leads • Trust Medical Directors • Primary Care Leads	• KMPN Head of Finance • Finance BP and Head of Contracts • Trust Deputy Chief Financial Officers	• KMPN Head of Quality & Governance • Clinical Director • Heads of Governance • Deputy Medical Directors • Speciality Quality Managers	• KMPN Head of Workforce, Education & Training • Deputy Chief People Officers • NHS K&M Chief Healthcare Scientist	• KMPN Director of Digital Transformation • Directors of IT • Chief Clinical Information Officers

Steering Groups

The joint committee will get input and recommendations from four steering groups. These have corporate and divisional level representatives from each organisation and meet monthly/bi-monthly. The groups will ensure responsiveness of the network to performance issues, review cases and ensure workforce planning is in line with Trust needs.

Joint Committee: Formal joint committee with unanimous voting from exec representatives. Delegated responsibility from each Trust re: pathology services budgets. Meets quarterly.

Finance & Investment Steering Group	Quality & Safety Steering Group	People & Culture Steering Group	Digital Steering Group
• Proposes annual budget and monitors spend • Approves capital spend within envelope • Reviews business cases • Oversight of corporate governance	• Reviews performance and delivery of KPIs • Assures delivery of accreditation • Manages risk • Oversight of clinical governance	• Reviews and approves workforce plans and changes • Oversees recruitment and retention plans • Oversees education and training	• Monitors delivery of digital transformation programmes • Ensures alignment with Trusts' digital strategy

KMPN senior management team: responsible for day to day management of budget, recruitment, contracts etc. Meets weekly.

KMPN Joint Committee Timings and Potential Agenda

Proposed dates	Potential location	Potential agenda items
Friday 7 November 2025	Virtual	•KMPN Digital Roadmap •Managed Equipment Services (MES) Full Business Case Proposals
Friday 6 February 2026	Dartford	•Sign-off of Phase 2 of Joint Venture (JV) •Proposal for revised KMPN Target Operating Models •Review of 2026/27 budgets and strategy
Friday 10 April 2026	Virtual	•Review of revised KMPN Target Operating Models •Approve 2026/27 budgets and strategy •Approval of MES Full Business Case
Friday 5 June 2026	Ashford	•KMPN JV Phase 3 Full Business Case Proposals
Friday 7 August 2026	Virtual	•Sign-off of revised KMPN Target Operating Models

Ask for support to achieve Phase 2

Confirmation of divisional reporting arrangements from April 2026
- We have worked up a proposal with the current East Kent (EK) diagnostics division which proposes splitting the reporting and sign-off processes for pathology from April 2026 (which allows a period of double running February – March 2026)
- We need Executive confirmation that they are happy with these new arrangements

Representatives for quality and safety steering group
- As we are now recruiting to the Head of Quality post, we will be setting up the new Quality & Safety (Q&S) steering group in the New Year and will require an EK Executive representative

Continued commitment to recruitment arrangements
- As finance and headcount restrictions tighten further across all system partners, we need continued commitment to allow 'internal' posts to be recruited across KMPN

Progress in implementing KMPN Joint Venture Phase 2: Governance

Pre formal approvals				Post formal approvals			
Action	**Evidence Required**	**Responsibility/Owner**	**Status**	**Action**	**Evidence Required**	**Responsibility/Owner**	**Status**
Nominations for Joint Committee and steering groups	List of names	Trust Senior Responsible Officers (SROs)	Complete	Joint Venture Agreement – signed by each organisation	Signed JV agreement	Trust SROs	Planned – November
JV contract agreed at network board for sign off following final Trust board approval	Network board minutes	Network board members, notably SROs	Complete	Joint Committee – two quorate meetings and review	Joint Committee minutes	Joint Committee membership	Complete – next date February
Joint committee and steering group Terms of Reference (TOR) reviewed at network board for approval at first joint committee	Network board minutes		Complete	Steering groups – one quorate meeting of each steering group and review	Steering group minutes	Steering group membership	In progress – finance, digital and HR complete Quality still to do
Completion of Trust workshops with divisions re: lines of accountability and matrix working	Workshop outputs	Programme Management Office (PMO), Senior Programme Managers (SPMs), divisional and Trust representatives	Complete	Disestablishment of old network and Trust meetings	Final minutes of meetings	Divisional representatives, SPMs	Planned – early 2026
Network Board/Joint Committee signoff of new operating model	Board paper and minutes	PMO, SPMs, Divisions	Planned – Bi-weekly review group with divisions set up	Senior leadership team weekly meetings for three months and review	Meeting notes and attendance	Senior leadership team	In progress – new PNCOC ToR being reviewed

Progress in implementing KMPN Joint Venture Phase 2: Recruitment

Pre formal approvals				Post formal approvals			
Action	Evidence Required	Responsibility/Owner	Status	Action	Evidence Required	Responsibility /Owner	Status
Vacancy control panel (VCP) immediately after final Finance and Performance Committee (FPC)	VCP feedback	Maidstone and Tunbridge Wells NHS Trust (MTW) VCP AP	In progress – recruitment now underway	Senior Pathology Managers joint 1:1s with KMPN Managing Director	Confirmation	SPMs Divisional leads MD	Planned
Assurance from Trusts that internal appointments can be replaced	VCP feedback	Trust VCPs	In progress	Head of Quality, Risk and Governance in post or start date firmly agreed.	Unconditional offer and start date	PMO	Delayed due to consultation – now out to advert
				Independent pathology adviser in post	Unconditional offer and start date	PMO	Complete
				Reconfirmation of KMPN budget position for H2 2025/26	Budget statement	PMO SROs	Complete – monitored via F&I steering group
				Interim arrangements for Head of Finance and Head of Workforce if unable to appoint to the roles	Network board update	PMO	Interim arrangements agreed
				Trust education and training managers in post	Unconditional offers and start dates	AP	Complete

Progress in implementing KMPN Joint Venture Phase 2: OD

Post formal approvals			
Action	**Evidence Required**	**Responsibility/Owner**	**Status**
Network objectives and personal development plan agreed with all members of senior leadership team	Appraisal records	CD MD SPMs Senior PMO	In progress – Senior leadership development day held 31.7.25 with follow up planned for 1.10.25 SPMs aligned to speciality groups. Clinical leads appointed
Network communications updated on-line and in person to clearly differentiate the network as a joint venture	LinkedIn, Integrated Care System (ICS) website, newsletters etc	PMO	Planned – launch events to take place in January/February

Key Issues to resolve ahead of Phase 3

Joint Venture Hosting Arrangements
- In our initial development work around the joint venture, it aimed to come to an agreement about which of the partner Trusts would host the JV
- We were unable to reach an agreement, so we agreed that MTW would continue to host for Phase 2 and agreement would be reached ahead of Phase 3

Employment model considerations
- As part of the contract, the partner Trusts have agreed that we will move to a model of single employment to realise the greatest benefits from being a network
- Within this model, there are number of key scope considerations; most notably about whether medical consultants would come in scope for this

Managing the costs of increasing capacity due to increasing demand on services
- Today we will present one example; the investment required in centralised histopathology services which will increase system costs
- This challenge will present across all pathology services and a financial model that reflects these increasing costs will need to be agreed

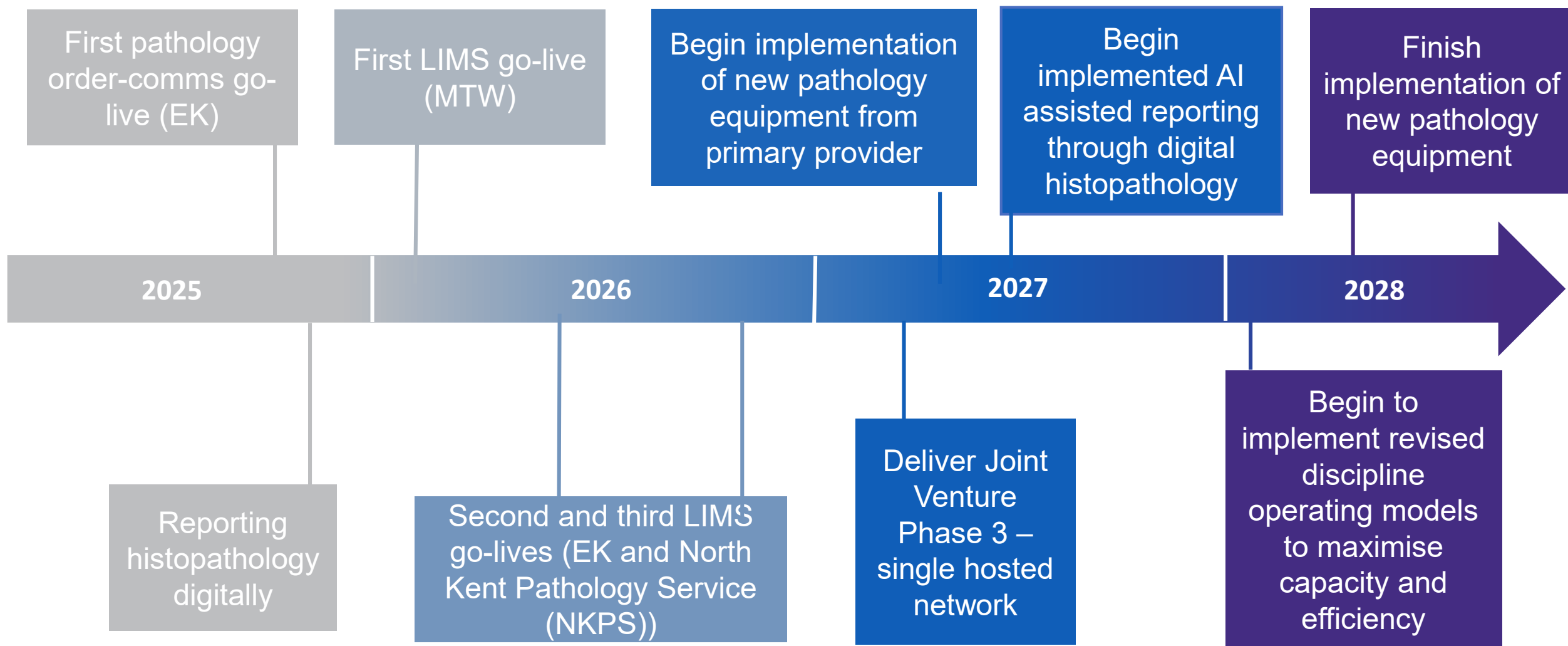# Phase 2 of the KMPN Joint Venture: Change Request

The joint committee agreed that phlebotomy services would be removed from the scope of the joint venture. We will update the CJVA to reflect this. There is no immediate operational impact from this change and revised management changes are taking place as part of the Phase 2 implementation anyway.
This change will reduce East Kent's overall share of the joint venture from 39% to 38%.
Updated membership shares will be:

			EKHUFT	MTW	NKPS	DGT	MFT	Total
Membership Shares v1.13			38.2%	32.3%	20.5%	5.2%	3.8%	100.0%
Membership Shares v1.12			39.2%	31.8%	20.2%	5.2%	3.7%	100.0%

The benefits of this change are that there will be more consistency of scope across the different Trusts in the network and also that it meets the needs of East Kent. The joint committee asked the KMPN management team to review the full scope of services ahead of Phase 3.

Modernisation programme reminder

KMPN has an ambitious modernisation and harmonisation programme; covering digital and IT systems as well as all laboratory equipment. These are crucial enablers for a functional single service.

2025
- First pathology order-comms go-live (EK)
- Reporting histopathology digitally

2026
- First LIMS go-live (MTW)
- Begin implementation of new pathology equipment from primary provider
- Second and third LIMS go-lives (EK and North Kent Pathology Service (NKPS))

2027
- Begin implemented AI assisted reporting through digital histopathology
- Deliver Joint Venture Phase 3 – single hosted network

2028
- Finish implementation of new pathology equipment
- Begin to implement revised discipline operating models to maximise capacity and efficiency

External investment and efficiency savings 2022-30

Over **£14m investment secured** since 2022/23

£8.5 million
Digital Pathology

£4.5 million
GP & Community Order Comms

£1 million
LIMS

£20,000
Research Grants

£186,000
Fluorescence in situ hybridisation

Intention to deliver **£16m efficiency savings** for the system by 2030

£22 million
MES savings
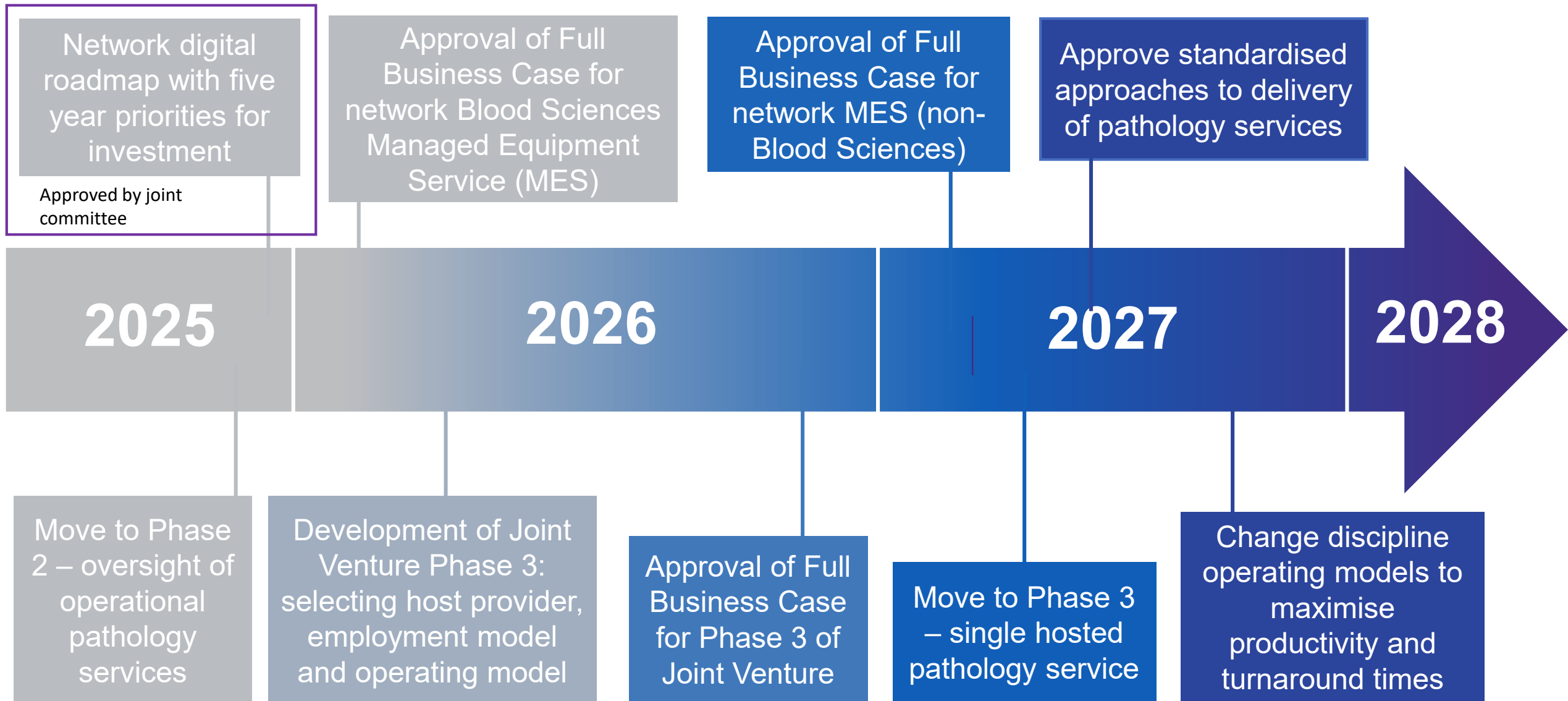
£10 million
LIMS costs

£6 million
Service change savings

£2 million
Network costs

Decisions to be made over next two years

There are a number of key decisions and business cases for the joint committee in the next two years'

Network digital roadmap with five year priorities for investment

Approved by joint committee

Approval of Full Business Case for network Blood Sciences Managed Equipment Service (MES)

Approval of Full Business Case for network MES (non-Blood Sciences)

Approve standardised approaches to delivery of pathology services

2025

2026

2027

2028

Move to Phase 2 – oversight of operational pathology services

Development of Joint Venture Phase 3: selecting host provider, employment model and operating model

Approval of Full Business Case for Phase 3 of Joint Venture

Move to Phase 3 – single hosted pathology service

Change discipline operating models to maximise productivity and turnaround times

KMPN Four Year Digital Roadmap

2026/27

Establish:
create the foundations, finish what we've started, quick wins

Individual projects:
- Full LIMS rollout across network + archive solution
- GP & Community Order Comms completion across network
- AI assisted reporting ; building on digital histopathology
- Single Managed Equipment Service Business Case (BC) approval
- Network Integration Layer purchase; improves interoperability and data-sharing

2027/28

Embed & Explore:
adopt new ways of working, explore further automation

Individual projects:
- Single Managed Equipment Service rollout of new analysers: MTW
- Digital Haematology
- Electronic Requests & Results: phase 1 (prioritising cell path and internal requesters)
- Results, Data & Reporting optimisation
- Histopathology workflow advanced automation,

2028/29

Enhance:
Full interoperability & connectivity, advanced automation

Individual projects:
- Single Managed Equipment Service rollout of new analysers: EKHUFT
- Single Blood Tracking System across network
- Electronic Requests & Results: phase 2 (private and external requestors)
- Neighbourhood Point of Care Testing (POCT) Connectivity & Interop
- Demand management & Clinical Decision Support (CDS) Tools rollout

2029/30

Evolve & Extend:
Full maturity, reach beyond own network

Individual projects:
- Single Managed Equipment Service rollout of new analysers: NKPS
- Genomics Connectivity & interop with Pathology systems including electronic requests & results
- National Digital Pathology platform opportunity