PRIVATISATION OF THE NHS

NHS NOT FOR SALE

THE NHS IS BEING TRANSFORMED BIT BY BIT WITHOUT PEOPLE NOTICING

This pamphlet gives details of this process, which has been going on since 1990.

We will eventually have a two-tier health service with less and less care for those who cannot afford to pay.

IT CAN BE STOPPED IF PEOPLE KNOW WHAT IS HAPPENING.

Privatisation of the NHS - NHS not for sale

The NHS, set up at the end of the Second World War, has ensured freedom from the fear of medical bills for most of the last 70 years. We are told that the country cannot now afford the services we have become used to, but at the time they were introduced the economy was in a much worse state than now. The Welfare state, with the NHS as a major part, was a popular demand of the returning soldiers and a traumatised civilian population. After their enormous sacrifices people did not want to return to poverty and hardship. The National Health Service was the responsibility of the Secretary of State for Health and Social Care. The Ministry of Health operated through a series of Area Health Authorities which planned and organised local health services in accordance with government policy. Until recently, all nationals and residents of this country had a right to good, evidenced-based and comprehensive health care (and other services) free at time of need and funded out of National Insurance and taxation. Everyone pays so that it will be there when they need it.

ALL THAT HAS BEEN UNDER THREAT SINCE 1990 WHEN THE GOVERNMENT STARTED MAKING CHANGES TO THE WAY THE NHS IS RUN.

MADE IN THE NAME OF EFFICIENCY, THESE CHANGES HAVE CLEARED THE WAY FOR PRIVATISATION OF THE NHS

THE INTERNAL MARKET

In 1990 a so called ‘Internal Market’ was introduced whereby NHS hospital departments had to agree contracts to pay each other for services such as specialised tests. NHS bodies were made to compete with each other for such contracts

FOUNDATION TRUSTS

Eventually, in 2004, the government started a program of turning NHS hospitals into independent commercial organisations (Foundation Trusts). These have the freedom to retain surplus funds and to sell fixed assets (buildings and land) or to buy assets from other organisations, including other NHS bodies. Once having become Foundation Trusts, some or all, of their functions could be out-sourced to the private sector. A Trust can consist of several hospitals. NHS Trusts can earn 49% of their total income from privately paid for services which appears to be back door privatisation.

The publicly funded NHS organisations have to compete with private health care companies for business. Thus clinical services have been opened to bids from ”Any Qualified Provider”. The reforms prevent the NHS from giving preferential treatment to its own hospitals when awarding the more expensive contracts (over £615,000). This enables multinational private companies to cream off the most lucrative services, leaving our local NHS hospitals to manage the more difficult and expensive aspects of care.

CLINICAL COMMISSIONING GROUPS

A key measure in 2012 was to get rid of the Government controlled bodies that used to plan local medical services in each area. They were ultimately responsible to the Minister of Health and had to ensure that everyone got the treatment they needed in accordance with government policy. This planning role is handed over to local GP dominated bodies, called Clinical Commissioning Groups (CCGs), which commission health services in their area.

Thus, under this change in the rules, the Secretary of State does not any longer have the legal responsibility for provide adequate, equal and free health care to the whole population. Health Care policy is now decided locally.

WHAT THESE CHANGES REALLY MEAN

TO SOME THIS ALL SOUNDS LIKE A GOOD IDEA, DOCTORS ON THE GROUND MAKING DECISIONS RATHER THAN FACELESS BUREAUCRATS, MARKET COMPETITON DRIVING DOWN COSTS.

SO, WHY ARE SO MANY DOCTORS, HEALTH CARE WORKERS AND TRADE UNIONS CONCERNED ABOUT THE POSSIBLE OUTCOMES? WHY SHOULD PATIENTS BE VERY WORRIED?

IN ACTUAL FACT THE CHANGES HAVE CLEARED THE WAY FOR PROGRESSIVE OUTSOURCING OF MEDICAL SERVICES TO PRIVATE PROFIT-MAKING COMPANIES AND REDUCTION OF FREE NHS TREATMENT.

THE CHANGES HAVE BEEN HAPPENING WITHOUT PUBLICITY AND HAVE BEEN COVERED UP BY MISLEADING WEASEL WORDS AND OUTRIGHT LIES. AS WITH NHS DENTISTS AND CARE HOMES, WE MAY EXPECT THAT PATIENTS WILL HAVE TO PAY FOR MORE AND MORE OF THE TREATMENTS WHICH WERE FORMERLY FREE.

BUDGET CUTS

Under Labour there was an increase in spending on the NHS every year but since the Conservatives gained power in 2010 there has been cumulative year on year financial squeeze on budgets.

The conservative government have promised to increase spending for the next five years. However, these increases are still below the 4% necessary to keep up with the increases due to inflation and increased demand. They certainly don't make up for the damage done by the previous cuts.

	2010/11	'11/12	'12/13	'13/14	'14/15	'15/16	'16/17	'17/18	'18/19
Billions	114.4	115.7	116.1	118.9	121.2	124.4	125.1	127.4	129.2
Real-terms change in total budget	0.1%	1.1%	0.3%	2.5%	1.9%	2.6%	0.6%	1.9%	1.4%

NHS ENGLAND BUDGETS 2010 to 2018

The inadequate budgets mean that the Clinical Commissioning Groups cannot spend enough money to provide adequate comprehensive healthcare. They are therefore made responsible for making increasing cuts. This has already led to cuts in highly qualified staff, increased waiting times, and lack of beds in Accident and Emergency wards and increasing rationing of treatment that can be provided by the NHS. People who can, will pay for private treatment.

There is no doubt that the GPs and all the other NHS staff will do their best to care for the sick, under the new conditions, as they do now. However, reducing the money available for NHS treatment and making the local doctors themselves responsible for spending 80% of the

NHS budget, is a masterstroke of management technique on the part of the government. Whether they like it or not, the GPs will be forced to be the instruments for carrying out NHS privatisation. Confronted by individual patients needing treatment, the GPs will increasingly have to collude in rationing scarce resources and will become salesmen for private hospitals. People are forced to seek private care or suffer needlessly

A postcode lottery will increasingly exist, with geographical variations in services and treatments available.

PRIVATE HEALTH CARE PROVIDERS ORGANISE

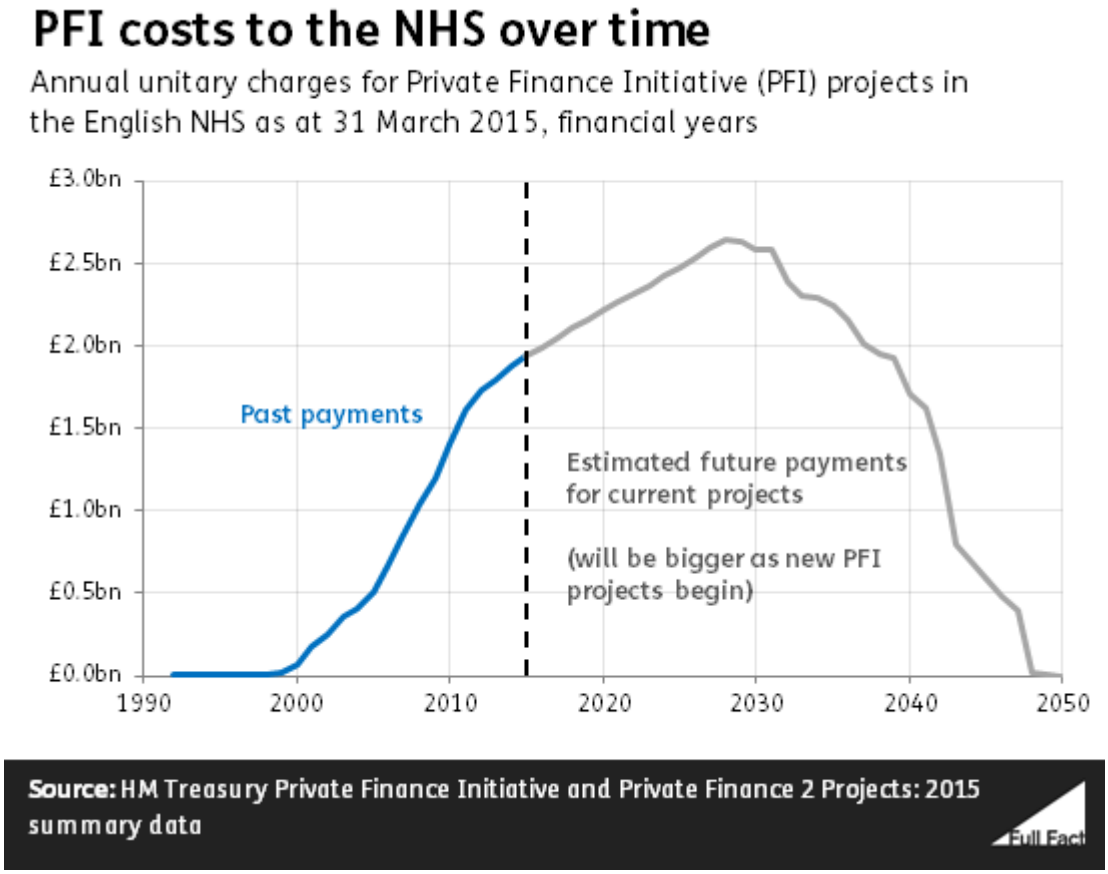
This makes an opening for more and more of the private health companies to intervene. Just as the government is fragmenting the NHS into many competing concerns, the private sector is amalgamating into large concerns which have taken over many NHS services.

Some of these large companies pay little or no tax in the UK on the money they receive from the British taxpayers who pay for NHS funded treatment. They avoid tax by shifting money to tax havens abroad (e.g. to the Virgin Islands)

An example of this process is Virgin Care. They are putting in bids all over the country. In 2016, Bath and North East Somerset Clinical Commissioning group granted Virgin Care a seven-year contract to run Adult Community Care worth £70 million a year. These services included health visitors, district nurses, speech and language therapists, physiotherapists, occupational therapists, falls prevention teams, palliative care nurses and social workers. They were previously run by Sirona, a not for profit Community Interest Company. Virgin claimed that it could provide the services more cheaply by installing a computer system to coordinate the running of the different services. Predictably, Virgin put in a bid which was too low and won the contract. In the event, after they won the contract, the IT systems did not work properly. At the end of 2018 they were said to be vastly overbudget. The NHS had spent over one million pounds on carrying out the contracting process.

PRIVATE FINANCE INITIATIVES (PFI)

These are schemes that prevent the expenditure on new public buildings from appearing as new Government debt. Thus, contracts are signed with private companies to build and maintain new hospitals. The companies borrow the money from banks and the National Health Service contracts to rent the buildings for up to 30 years. The company also provides maintenance and general services. However, this is a very expensive method for building new hospitals as the companies borrow at high interest rates. In order to pay off the debt and the interest and make a profit they charge the NHS high rents and high service charges.



IMPACT ON HEALTH CARE STAFF

All the health unions have campaigned against the changes. The BMA, RCN, Unison and Unite are predicting disaster. Local pay arrangements are already pushing down salaries and terms and conditions. Training will be undermined. For health workers, it means a vicious attack on pay and terms and conditions of employment. Already health workers know they are being asked to work harder, for longer, with less pay and reduced pensions.

There are not enough doctors and nurses in the crowded wards but health care staff work flat out and do more than they are paid to do. These shortages cause great strain on the doctors and nurses who struggle nevertheless to give adequate care to their patients.

(This is described graphically by Rachel Clarke in her book ‘Your life in my hands’ Metro Books 2017)

They suffer increasingly from stress and illness due to the pressure. .A survey by the Nuffield Trust reports that as many as 40% of staff reported feeling unwell as a result of work-related stress in the previous 12 months.

(https://nuffieldtrust.org.uk)

The government ministers have been completely insensitive to this and drove the junior doctors to strike action in 2016, when they tried to impose even longer working hours on them. They tried to impose a new contract which stated that, henceforward, staffing of the hospitals at weekends would be the same as that during the week, without increasing the actual numbers of doctors and nurses employed.

In consequence doctors and nurses are retiring early and the Royal College of GPs reports that one in three

GPs say they are likely to quit within five years.

Worryingly, there are not enough newly qualified doctors or nurses to make up the numbers and already there are nearly 40,000 nursing vacancies and 9,000 unfilled doctor positions nationally.

(www.healthcampaignstogether.com/safetywatch.php)

IMPACT ON PATIENT HEALTHCARE STANDARDS

The Government's policy inevitably involves a reduction in the standards of care that can be provided within the inadequate future budget estimates. Reducing the numbers of doctors, nurses and porters risks increasing the occurrence of mistakes.

The British Medical Journal (which is the main Doctors journal) reported in 2017 that the budget cuts caused 120,000 extra deaths between 2010 and 2017. The Office of National Statistics reports that life expectancy has stopped rising.

The example of safety in Care Homes and previously, the Railways, shows what the dire consequences of privatisation can be. The privatisation of the hospital cleaning services notoriously led to degradation in standards of cleanliness in the wards.

To make things worse you can no longer get Legal Aid if you claim compensation for any medical negligence.

WHAT DOES THIS MEAN LOCALLY IN BRISTOL?

The overall budget for each area is allocated by the national government-(the Department of Health and Social Care in London), which does not have detailed responsibility for the way this money is divided up between the various local health care services. This is left to the decisions of a local committee made up of local doctors and managers, the Bristol, North Somerset and South Gloucester Clinical Commissioning Group (BNSSGCCG). This body has sole responsibility for providing free health care in the area. They commission health services from National Health Hospitals, General Practitioners, Private Hospitals and other Health Care Businesses, including multi-national firms.

This might seem to be a good system since the decisions are made locally. However, the commissioning group are un-elected and the government still holds the purse strings. For instance, the central government forces the sale of NHS facilities by withholding money for new spending on equipment or buildings unless the commissioners sell off what they call ‘redundant assets’ (e.g. land and buildings). Thus, Frenchay Hospital, the General Hospital and the Old BRI building on Park Row have already been sold to property developers. These extremely valuable sites will now never be available for future hospital development.

The Accident and Emergency department at Weston General Hospital is now closed at night. Ambulances have to make the long journey to Bristol, putting extra pressures on the two remaining Bristol A and E units at Southmead and the Bristol Royal Infirmary.

A long-standing feature of the creeping privatisation of NHS provision is in the existence of private beds in NHS hospitals such as the BRI and Southmead (NHS hospital trusts are allowed to earn up to 49% of their income from private patients)

In addition the NHS pays private hospitals to take many of the less complicated surgical cases. In particular, there are two large private hospitals which are paid by the NHS to take NHS patients. One on the Downs is owned by an international company called Spire. The other is at Emersons Green. It is owned by Care UK.

To add to this problem the private finance burden for the Bristol NHS must be paid for, whatever else is provided. The new hospital at Southmead cost a total of **£430 million** to build. The company (Carrillion) which built the hospital has already gone bankrupt and is in the hands of the receivers. They will have to recover what they can of the debts. In addition, further PFI schemes have cost **£45 million** for the South Bristol Community Hospital at Hengrove and **£16 million** for various smaller local developments around Bristol. If the terms of the contracts are in line with the national figures quoted above then the annual rental and services cost is about **£9.8 million**, rising to **£17 million** a year towards 2030.

Thus, the amount of money actually available to pay for local NHS treatment is effectively reduced. The need for treatment actually increases, as people live longer and also as medical science advances to provide better

treatments. Some of these treatments actually save money in the long run, as they get people out of hospital more quickly or keep people out of hospital altogether.

RESTRICTED TREATMENTS

The hospitals have responded to the cuts in resources by trying to treat the most serious cases first. In order to cope with these quickly with the limited resources available, Bristol hospitals have been forced to adopt the strategy of allowing other patients to be moved down the waiting lists. This means in practice that people can be left in great pain while their condition deteriorates until it has to be treated, because either it stops them carrying out day to day activities such as getting out of bed or walking unaided, or actually becomes life threatening. In the longer term these cases are more difficult to treat so the whole policy is very short sighted. There are now over a hundred conditions for which the treatment is delayed in this way for example hip replacement and hernia repair.

GP SERVICES IN BRISTOL

GP practices are under great strain both from shortages of doctors and nurses and funding inadequacies. These stresses are causing doctors to consider retiring early. There are 540 GPs in BNSSG area but it is estimated that 631 are needed to meet the increase in patients, GP practices are closing and the patients are being forced to apply to join other practices. The latest one to close is Bishopston practice in Nevil Road. The question arises as to whether the other practices have sufficient resources to absorb these patients (doctors, nurses secretaries cleaners etc and premises to accommodate them). Do they simply move the staff as well as the patients?

Traditionally GP practices are set up and owned by one or more GPs (the partners) who run the practice. They then employ other staff(doctors and nurses pharmacists secretaries etc.) With the hope of making efficiencies of scale a private limited company (Bris-Doc) has been set up in Bristol to undertake management of GP practices. Most of the directors and shareholders are Bristol GPs. They have set up an out of hours service and have already taken over the management of some GP practices in place of the existing partners (Charlotte Keele and Bishopston in North Bristol and others elsewhere.

As with the other private providers of medical care the proposed efficiencies of scale have to be balanced by the necessity to make profits and pay dividends.

What will happen to GP services if Bris-Doc itself gets into financial difficulties and goes bankrupt? We still do not know about the future of Southmead Hospital.

WHAT DOES THE FUTURE HOLD?

THIS IS NOT ABOUT A FEW ADMINISTRATIVE CHANGES OR MANAGEMENT RESTRUCTURING. WHAT IS HAPPENING NOW IS THE BIGGEST SINGLE ASSAULT ON PUBLIC HEALTH CARE SINCE THE BIRTH OF THE NHS IN JULY 1948.

The Government wants to move us from a system of tax-funded health care open to all and provided by well-trained workers with half-decent terms and conditions, to one based on profiteering by driving down costs. Payment for even the most basic health care is the final end-point and the current changes are preparing the way. For patients this will mean that many will go without the most fundamental of human rights because they simply cannot afford it. Prior to the NHS, millions suffered because of this and, in market-driven health systems such as in the USA, this is the reality of life today.

THROUGH A COMBINATION OF CAMPAIGNING AND INDUSTRIAL MILITANCY WE CAN RESTORE A PROPER NATIONAL HEALTH SERVICE.

DEMAND ADEQUATE FUNDING FOR THE NHS

PREVENT FURTHER PRIVATISATION AND END THE MARKETISATION OF THE NHS

FIGHT FOR BETTER TERMS AND CONDITIONS OF EMPLOYMENT.

DEMAND RE-NATIONALISATION AS SOON AS THE PRIVATE CONTRACTS END OR THE COMPANIES GO BANKRUPT.