The government is proposing changes including the establishment of a new Strategic Health Authority to cover the whole of Eastern England. This will bring together NHS Trusts and Primary Care Trusts (PCTs) which currently face projected deficits totalling over £200 million, and are embroiled in cuts and closures affecting hundreds of hospital beds, a swathe of community hospitals, vital services for mental health and older patients, and upwards of 800 health workers' jobs.

The changes flow from the ridiculously titled policy of “Commissioning a Patient-led NHS” – a policy that was only unveiled in a circular to health service managers from NHS Chief Executive Nigel Crisp on July 28.

Crisp required proposals to be drawn up and submitted by mid-October – and so health chiefs have been drawing up plans to merge the existing Strategic Health Authorities for Norfolk, Suffolk, Cambridgeshire, Essex, Bedfordshire and Hertfordshire into a single new “Eastern England” SHA.

In doing so, they have been listening neither to patients nor to the general public, and the proposals have come under widespread criticism. As part of the same process, each country would also face a round of mergers and reconfigurations of Primary Care Trusts.

In the six counties of Eastern England several PCTs are deep in debt, and at least 18 PCTs out of the present 41 currently face deficits in excess of £1 million by the end of this financial year, with a combined cash gap of over £100 million. Several of the region's largest hospital Trusts also face hefty deficits which are forcing through cuts in beds and services, and job losses.

As commissioners of the broad range of NHS services, and providers of many services to the most vulnerable sections of the population, PCTs have little scope to cut spending without having an impact on patient care.

They are also under pressure to ensure that certain government targets are met, and most of these targets revolve around the most visible acute hospital services (waiting times, time to be treated in A&E, outpatient appointment waiting times, etc): this seems to be why many of the cutbacks that have been announced have focused on less politically sensitive areas – often affecting more vulnerable and less vocal groups of patients, such as care of the elderly, and mental health.

Nevertheless there have been angry meetings, marches and protests against a number of the cutbacks that have been proposed, most notably against the cuts and closures in community hospitals in Suffolk (Newmarket, Felixstowe, Sudbury, Harlow, Aldeburgh, and in Stamford (which is just over the border in Lincolnshire, but the hospital is run by the cash-strapped Peterborough Hospitals Foundation Trust).

In Cambridge campaigners have protested at the heavy-handed cuts in mental health care; in other areas the full impact of the cash squeeze has not yet been revealed.
Regional view

GEOFF REASON, UNISON Eastern Region

This special newspaper is published by UNISON Eastern Region, which covers all of the six counties of Eastern England.

It looks at the underlying pressures on NHS budgets that are driving the mergers, cuts and job losses, and then look in more detail at the issues arising in each of the counties, as they affect health care staff, patients, carers, and the wider public.

Removing directly-provided services – and the management budget that goes with them – from PCTs will generate only the illusion of savings and efficiencies.

In practice a new range of private, voluntary or devolved NHS providers will simply serve further to undermine patient care, rather than the NHS being more accessible and responsive to the patient's need.

In many cases today's cash problems are recurrent deficits that are the product of years of underfunding, and could be resolved with a one-off cash injection to balance the books and lay a solid basis for future services.

We urge local councillors, MPs and NHS organisations to join with us and the campaigners already fighting for this policy, and to press Patricia Hewitt for a change of direction to preserve and improve our local services rather than undermine them.

UNISON’s response

UNISON is opposed to the government's requirement that the huge deficits that have arisen must be paid back in any way ‘improved’ through privatisation or outsourcing to the private sector.

And UNISON is very strongly opposed to the notion that any savings in the long-term future of health care services, and not an overhead expense to be cut back in the quest for short-term savings.

Government targets to improve performance and reduce waiting times, most of which have been successfully delivered, have all come at a cost of increased spending.

Numbers of NHS staff have increased - with substantially more nursing staff, doctors and other clinical staff in post.

Even acute bed numbers have increased, after ministers recognised that the cutbacks of the 1980s and 1990s had gone too far to allow hospitals to cope with peaks of demand.

To make matters worse, the constant reorganisation – the current shake-up is the fifth major change since 1997 – consumes management time and resources, and confuses and demoralises staff.

The preparation for the new, competitive system of “payment by results” next April will further increase administrative costs for Trusts, and leave some sections of NHS departments under-used and less efficient.

The NHS Confederation points out that the years running up to Labour’s big investment in the NHS had seen “very high financial settlements” through much of the 1980s and 1990s, with Gordon Brown also continuing to apply Tory cash limits on the NHS, while GPs, as well as the costs of the restructuring of pay more generally under Agenda for Change: the NHS has also faced big increases in medical staff costs as a result of the Working Time Directive.

Other costs in this category included drugs, building repairs and improvements and new technology: inflation in all of these areas has run at much higher levels than inflation in the wider economy.

UNISON does not believe that either the private or voluntary sector has sufficient expertise or resources to deliver this type of service to all who need them, let alone on the scale required.

At a time when PCT budgets are already stretched to breaking point, it is clear that any policy which slices off an additional share of NHS funding to finance the profits of external providers will simply serve further to undermine patient care, and leave more vulnerable people without the support they need.

The soaring cost of meeting waiting list and other targets

A recent report, Money in the NHS: the facts by the NHS Confederation, the body representing NHS Trusts and PCTs, investigated how the additional money invested in the NHS budget since 2002 has been spent.

- Average annual increases of 7.4 percent in real terms each year since 2002, which are due to continue until 2007/8, equivalent to a 43 percent total increase in real terms.

- In 2004/5 almost three quarters (73 percent) of the additional money was allocated to services that had been “chronically under-funded”.

- This included “30 percent spent on employing new staff and 20 percent spent on increasing pay”.

- This includes the costs of new contracts for consultants and GPs as well as the costs of the restructuring of pay more generally under Agenda for Change: the NHS has also faced big increases in medical staff costs as a result of the Working Time Directive.

- Other costs in this category included drugs, building repairs and improvements and new technology: inflation in all of these areas has run at much higher levels than inflation in the wider economy.

- 20 percent of the extra money was spent on providing additional services.

- The remainder, a massive 7 percent of the “new money”, was not actually paid out in money at all, but assumed to be generated through efficiency improvements.

- Drug costs increased both because more prescriptions were issued (up almost 8 percent in 12 months) and because the cost of the items rose even faster (spending on prescription medicines has increased by 46 percent since 2000 to 1 billion nationally), creating many pressures on local prescribing budgets and on hospital pharmacies.

- A massive 29 percent of the additional funding in 2004/5 was spent on pensions, because the Treasury had passed over the cost of inflation-proofing the NHS pension to the Department of Health.

- And across the country around 60 NHS Trusts are now forking out inflated payments for new buildings funded through the Private Finance Initiative, which are soaking up 11 percent or more of their income.

Where has all the money gone?

This goes a long way to explaining the shortage of many types of staff, the poor condition of many buildings and the low level of investment in equipment.

The Government has willed the ends – a modernised, improved NHS – but not sufficiently provided the means for these proposals to go to, while Trust managers scour the world on expensive trips to find that fails to offer sustainable efficiency improvements.

Where has all the money gone?

UNISON is opposed to the government's requirement that the huge deficits that have arisen must be paid back in any way ‘improved’ through privatisation or outsourcing to the private sector. Nor do we accept the short-sighted, largely cash-driven proposals to close the community hospitals that have been a key ingredient in any way ‘improved’ through privatisation or outsourcing to the private sector.

And UNISON is very strongly opposed to the notion that any savings in the long-term future of health care services, and not an overhead expense to be cut back in the quest for short-term savings.

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Primary Care Trusts

Fattened up by mergers, carved up by private sector?

The government set up Primary Care Trusts (PCTs) in England in 2001 to bring together all the NHS departments providing care outside hospitals.

PCTs are responsible for GP practices, dentists, opticians, local pharmacies, districts and school nurses, health visitors, other community services – and as ‘commissioners’ of care, they are also responsible for payments for all hospital services used by their residents. However in a dramatic, sudden and unexpected announcement in July this year PCTs are to be enlarged and stripped of their role in providing health care: they are to become commissioners of care only; in Oxfordshire the proposals go even further, with plans to privatise the commissioning function of the PCT – potentially handing control of budgets totalling £375 million to a private company.

Government policy has for a while been to transfer as much work as possible from hospitals into GP surgeries and ‘the community’. This is thought to be what patients want, will help to reduce the demand in hospitals and A&E departments, and be ‘cost efficient’ – i.e. cheaper. But as services are transferred from hospitals to the community, it is physically impossible to identify the shift of resources to pay for the service in its new setting.

In spite of the increase in NHS funding, many hospitals and PCTs are short of cash and desperately trying to save money.

Already care for asthma, blood pressure and diabetes takes place mainly within general practice, and the aim is to provide care in hospital only for patients who must receive this ‘specialist’ level of care. In other words the services that PCTs now provide are to be further increased at the same time as PCTs are to be forbidden to provide them themselves after 2008.

The nature and status of the new providing bodies is currently (end October 2005) a mystery.

The assumption is that this is a huge opportunity for the private sector to take a big bite into the NHS outside of hospitals, and the policy has been opposed by this year’s TUC, Labour Party Conference, and almost all organisations representing health workers, including UNISON.

The six Eastern England counties face a reduction from 41 PCTs (17 in Norfolk, Suffolk and Cambridgeshire, 13 in Bedfordshire & Hertfordshire) to a maximum of 11 in Bedfordshire & Hertfordshire, as well as further reductions in other parts of the country.

Campaigners in Oxfordshire are battling against plans to privatisate the commissioning role of a new merged Oxfordshire PCT, handing a budget of £575m a year to a private company, which would take charge of purchasing health care for a county-wide population of 625,000.

Eastern England counties currently have 41 PCTs

- 17 in Norfolk, Suffolk and Cambridgeshire
- 13 in Essex and
- 11 in Bedfordshire & Hertfordshire.

This could fall to as few as 7, or a maximum of 11

- 3 in NSC,
- 2 in Essex
- and 2-6 in B&H

Ignoring crisis did not make it go away

Throughout much of the last financial year it was clear that Trusts and PCTs were running large and unbridgeable deficits.

But this was the run-in towards the 2005 General Election, and there was clearly an indication that Trust bosses should avoid making large scale cuts and closures to balance their books in this sensitive period.

Much larger debts than usual were rolled over into the current financial year, and this is the background to the cash crisis we have identified in Eastern Region. Sometimes local Trusts and PCTs explain the impact of the situation openly: more often they revert to the traditional culture of pretending they have broken even – or are about to do so.

We can see some of the results of ‘hoping for the best’ in the Norfolk Suffolk and Cambridgeshire SHA (NSC), which last year project an overall net deficit of £43 million, only to discover after external auditors came in that the real deficit was £68m – the largest discrepancy of its kind of any SHA.

By August this year the situation in NSC had deteriorated even further, with a forecast overspend across the SHA rising to £92 million – almost £50m above the target figure set with individual Trusts and PCTs by the Department of Health, and £16m worse than forecast in the Local Development Plan.

Even then, the projected savings, many of which had not begun to show any success, fell well short of the target figure.

Now in Suffolk, the Ipswich Hospital Trust, despite operating costs running at 9 percent below the national average (putting it in the top 15 percent of efficient hospitals) – and despite hitting all the key national targets for performance – faces a rising tide of emergency admissions (which outnumber waiting list admissions more than three to one) and a deficit which has remained unresolved since 2003/4.

Among the factors that contributed to the Trust’s financial problems last year have been the soaring costs of Information Technology, the implementation of Agenda for Change, “unfunded activity” and “reduction access to community services”, resulting in patients staying longer than medically necessary in front-line hospital beds.

But measures to reduce the use of emergency beds have not delivered the promised results, either. Ipswich’s most recent Annual Report (2004/5) concludes: “It is imperative that we continue to work with our local Primary Care Trusts to address the underlying financial problem, and in seeking to minimise the increase in emergency activity as far as possible.”

The Trust notes that because of its low operating costs it is one of those expected to derive extra income from the Payment by Results system when it is introduced next year. However the difficulty is that the Trust’s potential increased income depends upon the PCT’s ability to pay, and even the most optimistic view shows the Suffolk PCTs facing deficits of £50m.
West Suffolk counts the cost of latest cuts

There are fears that the struggling West Suffolk Hospital in Bury St Edmunds, facing a £20m deficit, could merge with Addenbrooke’s Hospital in Cambridge, 37 miles away (Cambridge Evening News 13 August). The Trust is expecting to overshoot its target of a £7 million overspend, notch up another deficit project of £11.3m by the end of the year.

Plans to axe hospital services with the closure of all 36 beds and a day hospital at Newmarket Hospital to save £1m have been met with protests (Cambridge Evening News 3 August). There have also been marches and campaigns to prevent the closure of Walnuttree Hospital in Sudbury, which is once again under the axe in the quest for savings, as is St Leonard’s in Sudbury.

The strategy of the Suffolk West PCTs is mapped out in a consultation document Modernising Healthcare in West Suffolk, which is replete with references to the phrase “close care closer to home” – which in practice appears to mean care ENP’s own people’s homes, if at all – and paid for by organisations other than the NHS.

The PCTs point the finger of blame for part of the current financial squeeze at the £10m deficit inherited from the former Suffolk Health Authority when PCTs were first established in 2001. But as in east Suffolk, PCTs are also very keen to “reduce the number of people who are inappropriately cared for in hospital”, even while noting the fact that numbers of emergency admissions to hospital have continued to increase despite previous promises and plans to the contrary.

Modernising Health Care concept proposes:

- Closing 55 beds at West Suffolk Hospital “of which are designated for rehabilitation, care of older people and people with medical conditions” – almost 50 percent of these beds in the Trust.
- West Suffolk PCTs argue for the need for a £5.85 million cut in spending on mental health and learning disability services across the county as a whole, and explain that longer-term plans to that have been undertaken over a number of years are being rushed through now in order to meet these financial targets (p11).
- The consultation document therefore proposes a series of straightforward cuts with little pretence that any serious replacement services will be offered to service users:
  - Close the Sage Day Hospital for Older People’s Mental Health in Newmarket
  - Close the Talbot Unit, a small day centre for dementia sufferers in Sudbury, which is currently part of the doomed Walnuttree hospital
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East Suffolk gets on the march against cuts

600 people backed a July protest march through Felixstowe to fight any plans for closure of the Bartlet Hospital, one of the two local hospitals. Harbourside Hospital in Eye, which has also been supported by a substantial demonstration, is set to close in the spring after a decision by Central Suffolk PCTs.

East Suffolk’s PCTs had originally hoped to scope up a 30-bed facility by selling off the Bartlet and Harbourside hospital sites, in addition to the revenue savings from scrapping services there and at Aldeburgh, with a significant redoubling but it has become clear that any capital generated by the asset stripping sale would be funneled into a national Department of Health kitty, with only small share eventually coming back to Suffolk.

Meanwhile a thinly-populated area with poor public transport links could face the loss of existing health care but miss out on any proper community-based services to take the place of the closed hospitals.

The closures would almost inevitably precede the establishment of the promised services, even if sufficient staff could be recruited and trained.

For many vulnerable older patients left to fend for themselves at home, the logistical consequence will be that they wind up being admitted as emergencies to Ipswich Hospitals, compounding their problems and occupying more costly front-line beds.

In a misleading phrase the PCTs argue that they want to “change the way we use our community hospitals”: but it swiftly becomes clear that they don’t want to change this but to close them down, and that when they talk (p14) about “a shift in services away from the acute hospital setting to the community”, they mean a shift from hospital care to people being left to care for themselves at home, with minimal premises of NHS support.

That’s why they want to:

- Close all inpatient beds, and then close and sell Harbourside Hospital in Eye
- Close the 20 beds, and then close and sell the Bartlet Hospital in Felixstowe
- Close the 52 beds and the Hayward Day Hospital at Ipswich Hospital
- In addition to closing the hospitals, the Financial Recovery Plan makes clear that the PCTs want to cut back spending on community services, with a “rationalisation of podiatry work”, consolidation onto fewer sites (creating longer journeys for patients), “stop doing low risk work”, and “service reduction to population”.

Alongside these cuts in services and spending on older patients, Changing for the Better echoes the West Suffolk document Modernising Healthcare in stressing the need for a massive £6.85m cut in spending on mental health and learning disability services across the country.

The PCTs admit that: “part of the saving target arises out of the general financial problems confronting the NHS as a whole.”[p21]

Among the cuts as a result, the PCTs propose to:

- Close The Hollies, an employment-based project in Ipswich for mental health suffers
- Close two clubhouses, Old Fox House in Stowmarket and Bridge House in Ipswich, which provide community-based psychosocial day services for adult mental health suffers, which have offered education and training, advocacy services and social programmes.
- Close The Pines, an occupational therapy day service for mental health outpatients.
- Further cuts in children’s services
- The transfer or Oral Surgery to GPs to save just £12,000 in a full year.
- Cuts in anaesthetics and orthopaedic outpatients ($150,000)
- "Outsourcing" 60 percent of radiology services ($250,000)

East Suffolk is this has all added up to a very difficult financial situation. this financial year the system has a combined financial deficit of £7.9m, of which is in the PCTs. …”[p7]

"... in this financial year we are facing a severe deficit balance (i.e. we must not overspend). Next financial year (2006/7) we must maintain this position and pay off all of our accumulated debt.”[p8]

"We have to acknowledge that we can no longer afford to provide some of our locally developed services …"[p9]

In a policy for East Suffolk laudably entitled Changing for the Better, PCT chiefs outline plans (described as "modernisation") not only to back on hospital care, bringing “care closer to people’s homes”, but also to save up to £3.1m in staffing and other costs by reducing avoidable admissions to acute hospitals, which are also closing beds.

The document makes clear that a major underlying factor in the plans that are being probed is the cash crisis:

"Most people will be aware of the financial problems in the health service across Suffolk, and of the financial deficits which have built up in recent years in most of our organisations..."[p6]

"But Suffolk East this has all added up to a very difficult financial situation. this financial year the system has a combined financial deficit of £7.9m, of which is in the PCTs. ..."[p7]

"Unless we take steps to control our current spending we will overspend across the whole system by £2,500 (£2,100 for PCTs alone) every hour of every day. Our debts will increase and add to an already heavy financial debt. This is not an acceptable or sustainable position.

..." in this financial year we are facing a severe deficit balance (i.e. we must not overspend). Next financial year (2006/7) we must maintain this position and pay off all of our accumulated debt.”[p8]

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- Close the 20 beds, and then close and sell the Bartlet Hospital in Felixstowe
- Close the 52 beds and the Hayward Day Hospital at Ipswich Hospital
- In addition to closing the hospitals, the Financial Recovery Plan makes clear that the PCTs want to cut back spending on community services, with a “rationalisation of podiatry work”, consolidation onto fewer sites (creating longer journeys for patients), “stop doing low risk work”, and “service reduction to population”.

Alongside these cuts in services and spending on older patients, Changing for the Better echoes the West Suffolk document Modernising Healthcare in stressing the need for a massive £6.85m cut in spending on mental health and learning disability services across the country.

The PCTs admit that: “part of the saving target arises out of the general financial problems confronting the NHS as a whole.”[p21]

Among the cuts as a result, the PCTs propose to:

- Close The Hollies, an employment-based project in Ipswich for mental health sufferers
- Close two clubhouses, Old Fox House in Stowmarket and Bridge House in Ipswich, which provide community-based psychosocial day services for adult mental health sufferers, which have offered education and training, advocacy services and social programmes.
- Close The Pines, an occupational therapy day service for mental health outpatients.
- Further cuts in children’s services
- The transfer or Oral Surgery to GPs to save just £12,000 in a full year.
- A reduction in Orthotics outpatients appointments (Orthotics aims to re-align the foot and ankle bones to their neutral position ($75,000)
- Cuts in rheumatology and orthopaedic outpatients ($150,000)
- "Outsourcing" 60 percent of radiology services ($250,000)
- "Outsourcing" the community equipment stores and wheelchair service
- Transferring outpatient, follow-up and diagnostic tests to GPs “with special interest” – to save a massive £1.2 million in a full year
- Raising the threshold required for hospital admission to ensure “reduced but appropriate” elective activity – to save £2 million a year by treating fewer people
- Further reduction of acute activity through review of treatment thresholds”, so that “patients will continue to receive the care they need but with a reduction in certain non-critical areas” – to save another £1.2m
- Extended primary care cover in out of hours service
- Work with Ipswich Hospitals Trust “to identify further savings possibly through efficiency or further activity reduction” [i.e. treat even fewer patients] – with a target of saving £1 million this year.

The combination of cuts in both community and acute services, and the severity of the cuts proposed for mental health and learning disability make it clear that the misery for Suffolk residents would not end with this spending round, but continue and grow for years to come.

Ipswich Hospital is cutting 34 beds and restricting the use of operating theatres in a bid to squeeze down spending by a massive £11.6m in the current financial year.

The Board had originally discussed closing up to 80 medical and surgical beds in 4 wards, but ruled the figure to 34 after hearing of concerns from staff (East Anglia Daily Times 15 August). The hospital has seen patient numbers increase by more than 6% over the last four years.
Three of Norfolk’s PCTs are facing deficits totalling £13 million, although the greatest concern is focused on the long-term implications of stripping PCTs of their role in directly delivering local services.

Hundred of jobs of front-line primary care and community-based staff are involved: they could find themselves bundled off to another employer yet to be identified or decided.

The wholesale restructuring of PCTs has also raised fresh doubts over the future of plans for a new £25m hospital at Cromer.

The main focus of financial problems in the county has been the centre on the north of the county, most notably the ongoing cuts at the 400-bed Queen Elizabeth Hospital Trust in King’s Lynn (QEH), wrestling with a substantial overspend and recurrent financial deficit by month. In current financial year the Trust was facing a deficit of £1.7m in place of the planned surplus of £6.7m – a gap of £8.5m for the year, suggesting that they will not be able to repay any of the deficit of £8.5m brought forward from last year. Almost the whole QEH Board has been replaced, including the departing Chief Executive.

This problem is not one of staff, but inflation of non-pay costs and a failure to collect in the full funding for treatment. A large number of NHS patients in the July Board meeting were told that “Underspends on staffing budgets are covering overspends on non-pay budgets and under-recovery of income. That position is not sustainable nor繁荣.

The hospital at King’s Lynn has closed, with the loss of 60 of the 500 adult and elderly care beds. Theatre lists have been reduced, with some beds lost and staff redeployed, avoiding compulsory redundancies. However there is a freeze on non-clinical advertising and management have talked of privatising all ‘hotel’ services.

The Trust has embarked on an ambitious programme of income generation and asset-stripping, selling off nurses’ accommodation and other retail outlets, and imposing higher charges on staff and public.

Indeed plans to save money by cutting the number of out-patient follow-up appointments have been complicated by the knock-on impact on the likely reduction in numbers using the hospital’s car parks and catering services.

Planned economies also call for more rapid discharge of in-patients from hospital, pushing the responsibility onto community health, primary care, nursing homes and social services.

One difficulty underlying this is the “lack of alternative care options” that exist locally, which also drives a relatively high level of hospitalisation in West Norfolk.

The limited flexibility in the wider system, and with local PCTs having failed to deliver any genuine way to support patients outside the hospital, QEH has resorted to plans which assume a very high 95 percent average occupancy of a reduced number of beds, which the Trust describes as “extremely challenging”:

“We have restructured the configuration of wards will allow “a number of pots” to be disestablished, the existing staff will be redeployed to other work within the Trust, and we are not told how this high intensity use of beds makes any serious contribution to cuts in spending.

The Trust is investigating whether to close or ‘refurbish’ other care facilities to reduce costs and meet the new financial requirements.

The irony is that in these proposed new models to QEH Norfolk is hankering after an expansion of community hospitals and intermediate beds which would allow them to hand over responsibility (and costs) to PCTs – the very model of care that is being demolished in Suffolk with the planned closure of community beds and hospitals!

The situation is similar at the two other SHA’s: North and West Environments, and Essex, although less dramatic. However the projected deficits at Princess Alexandra Hospital in Southend and Mid Essex Hospitals were recorded at £3.7m and £3.7m respectively in July, while Chelmsford PCT was projecting a shortfall of £1m and William Brain and Hainford Care Trust was facing a deficit of just under £8m.

The September SHA Board meeting, headed by Trust and PCT bosses has clearly been hanged together, but no explicit package of spending cuts had been revealed: however the Mid Essex Hospitals deficit had been miraculously eradicated, to show a projected surplus of £1m – a turnaround of £4.7m, while the Princess Alex gap had dropped to £2.8m.

Chelmsford PCT had managed to squeeze the gap down to £1m, while William Brain and Wright PCT had come down £2.4m. While the full results of these cost cutting measures have yet to be seen, the threat looming in the wings for Essex acute Trusts is the Department of Health plan to commission a new independent Secor Treatment Centre to cover Essex, with a target of delivering over 15,000 day case and inpatient operations a year, in general surgery, orthopaedics and urology.

The target of 3,100 in-patient joint replacements to be commissioned from the private sector at a minimum of £15 million in contract income from the county’s NHS purchasing department. A further 2,000 orthopaedic day cases will snatch another £1m. Meanwhile NHS general sur- gery budgets will also face a loss of upwards of £5 million if 2,765 inpatient and 4,700 day case operations are diverted to a new private unit.

1362 urology day case operations will also result in reduced budgets for NHS trusts: in each case the private sector will charge for the least complex, low risk-fail cases to NHS units with reduced income but responsibility for the most complex cases.

As UNISON has argued in opposing this government policy changes, “the price of devolution is more than £20 million in revenue from Essex NHS trusts will be sufficient to fund the private sector and oblige trusts to make even greater attempts to balance the books, and trigger a reduction in local services – reaching in the worst case new less choice and longer journeys for local patients needing some forms of treatment.
Cash crisis disturbs the Foundations

Addenbrooke's Hospital, a Foundation trust, faces a £5m deficit and the danger of bed cuts as a result of a £7.7m deficit over from last year. The PCTs are reportedly spending over £6m a year on acute services, £4.6m a year on mental health and £1.1m a year on primary care.

Addenbrooke’s has been cushioned in extensively on the earlier implementation of “payment by results” for Foundation Trusts, driving up levels of both emergency and non-emergency activity well above planned and affordable levels, and sending the bill to the trust. In October the joint meeting of South Cambs and Cambridge City PCTs warned that the excess costs if Addenbrooke’s has been cashing in extensively on the lack of government funding. The Cambridgeshire and Peterborough Mental Health Partnership along with the local PCT is proposing massive cuts in Mental Health provision for Cambridge which will lead to a reduction in approximately 120 full time posts.

Alongside this the local Mental Health Trust is looking at ways to reduce expenditure by a further £4 million through out Cambridgeshire and Peterborough. This means that services throughout Cambridgeshire and Peterborough will be reduced, closed or cease. So the care provided and the associated jobs will disappear.

The permanent closure of No. 1 The Drive and the Gatehouse (A service for people with enduring mental health problems) would axe rehabilitation services. The closure of the Cedars (a facility for people with enduring mental health problems) would cut rehabilitation and also reduce any possibility of care and support for community-based clients and their families.

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The attack on rehabilitation services continues with the planned closure of the specialist community team in Cambridge, and the adult community mental health service, including its weekend service would be collapsed into a new crisis intervention service.

The proposed closure of a day centre in league ward at Fulbourn or Addenbrooke’s would axe over 20 percent of the Partnership Trust’s adult inpatient beds.

A quarter of the beds for older people would also be closed down, with a limited amount of the money to be used to expand the older people’s Services. The loss of 7 days per week, but with an overall loss of jobs.

The remaining Cambridge Day Centre (CDC) would close immediately after formal close of consultation. Patients will transfer to alternative day care facilities provided by the Trust.

Some modelling of the remaining day services will be required to create capacity for current users of CDC who will continue to need day services. Older People’s Day Services will also be reduced from April 2006.

Arts therapies would be heavily cut back with loss of jobs and staff integrated into other clinical teams.

The combined package is designed to save £3m – at the expense of substantial reductions in care.

The Young Person Service would be viewed as an area where the money could be saved, as it is no longer viable.

The Princess of Wales Drug Service would close, with the loss of the associated posts.

Money for Child and Adolescent Services has been withdrawn in full.

While many of the cuts are concentrated in South Cambridgeshire and Cambridge North PCT, which has been balancing its books through a succession of one-off measures, but points out that “this level of non-recurrent savings is not sustainable”, faces an inherent deficit of £10.8m this year (PCT Board May 2005).

The closure of the 28-bed 1st Iceni Unit at Doddington Hospital will axe excellent facilities for care of older patients from the end of October, with the nearest centres being the Princess of Wales Hospital in Ely, or North Cambs Hospital in Wisbech. And the closure of Alan Conroy to look on in Ely will bring the loss of 16 beds for older patients with mental health problems, leaving the nearest equivalent services in Kings Lynn.

Once again the PCT is claiming to replace hospital beds closed down in recent years, and with substantial losses to community services allegedly earmarked for closure.

The cutback is designed to save £300,000 towards the deficit of South Cambridgeshire Mental Health Partnership Trust.
Here are TEN good reasons for doing so:

- travelling to and from work, and free representation for accidents at work and while at work.
- to sort out your pay and terms and conditions you might have at work.
- effective protection to all our members.
- people who work to provide services to the biggest trade union in Britain. We only recruit papers is according to the June Board Trusts facing deficits in excess 2005/6, and three hospital with no organisations forecast- ing a surplus for surplus in ing a surplus for surplus in 2005/6, and three hospital major plans were unveiled to cut services at the Trust's St Albans City Hos- pital, cutting clinics, closing the pharmacy, transferring gynaecology to Watford Gen- eral and moving radiology and imaging services to Hemel Hempstead.

Hertfordshire

Cash crisis forces A&E changes

Warford & Three Rivers and Dacorum PCTs carried over a £9m deficit from 2004/5 and have opted to defer any attempt to clear the debt until next year. St Albans & Harpenden and Hertsmere PCTs also carried forward debts, and now face a £5m spending gap.

The performance on waiting times of Trusts in the SHA is also seriously out of line with government targets, with numbers waiting over six months running at 62 percent above the target in April 2005 in 8 of the 17 PCTs and over double government targets in West Herts Hospitals Trust. These figures will no doubt be exploited as justification for the moves to establish two new privately-run “Surgeincts” to take over a share of the least complicated elective surgery from NHS hospitals, with a full Business Case to be signed by April 2006.

Six companies have appar- ently expressed an interest in bidding for the contracts, which are funded centrally by the government, but would switch up to 15,000 operations – and the funding for them – away from local NHS Trusts and funnel it instead into private compa- nies.

The long-term impact of this could be to undermine the via- bility of some specialist departments in existing NHS hospitals.

So far there have been 3 ward closures (90 beds) at West Herts Hospitals Trust, which finished last year with a £13m deficit, and is projecting a shortfall of almost £24m by the end of this financial year.

20 of the beds closed are at Watford General – but no cost- ings have been given on how much the ward closures are intended to save.

There have been repeated rumours of plans to close the birthing unit at Hemel Hemp-stead, and changes to emer- gency services, punctuated by management denials.

Warford and Three Rivers PCT has also decided to slash £900,000 from the Hospital Trust’s contract and switch it to primary care services, with a suggestion that some GPs might try their hand at minor surgery.

However the Trust is cur- rently consulting on staffing changes – i.e. freezing of posts, a halt to the use of agency and bank staff, and potential redundancies.

In mid-October major plans were unveiled to cut services at the Trust’s St Albans City Hos- pital, cutting clinics, closing the pharmacy, transferring gynaecology to Watford Gen- eral and moving radiology and imaging services to Hemel Hempstead.

The desperation to balance the Trust’s finances will be increased by the drive to find a private consortium willing to put up the cash for a new PFI hospital.

Meanwhile the long-awaited plans to slash spending in the financially-challenged East & North Hertfordshire Hospitals Trust have been published in October, with the closure of maternity and major surgery at Welwyn Garden City’s QE2 Hospital, with these and all emergency ambulance services being diverted to the Lister Hospital in Stevenage.

Trust bosses hope to save a massive £49 million by 2008-9 by effectively downgrading the QE2 to a treatment centre delivering most elective opera- tions together with emergency medicine.

It would retain a paediatric department and a limited capacity A&E that would not take blue light ambulances, but it would not offer mater- nity services.

Jobs would be lost at the QE2, but it is expected that this could be achieved through not renewing short term con- tracts.

The Trust has resorted to the desperate tactic of seeking to “outsource” medical secre- taries’ work to India in a bid to cut costs, with the threat that it could herald redundancies among the 150 secretaries working in the Trust if the pilot study proves successful.

City white kids PriceWater- houseCooper had previously suggested a doubling of secre- taries’ workload, with just one secretary to support four con- sultants instead of the present two.

If you are not already a trade union member, then why not consider joining UNISON?

Here are TEN good reasons for doing so:

- UNISON represents nearly 1.5 million employees across Britain, making us the biggest trade union in Britain.
- We get the services that you want, and will fight to get what you want for your work.
- UNISON provides free support and advice on any problems you might have at work.
- UNISON provides free representation for accidents at work and while travelling to and from work, and free representation on other employment related issues.
- UNISON offers free透透 holidays through our travel club, as well as our own family holiday centre in Devon.
- UNISON offers you a range of education and training courses. These include courses leading to professional qualifications, GCSEs and vocational qualifications.
- UNISON pays benefits to members, including accident and death benefits.
- UNISON looks after you. We provide con- valescent facilities at reduced rates, offer financial assistance to members suffering unexplained hardship, and give free advice on state and welfare benefits.
- UNISON provides a wide range of competitive financial services. These include reduced mortgages, home, car and holiday insurance, road rescue, personal loans, credit cards and financial planning advice.
- UNISON offers great breakaway holidays through our travel club, as well as our own family holiday centre in Devon.
- UNISON offers you a range of education and training courses. These include courses leading to professional qualifications, GCSEs and vocational qualifications.