

HEALTH EMERGENCY

Bulletin of Hands Off Our NHS * No.53 * April 2001

INSIDE

Continuing care, continuing crisis! p4-5

Privatisation round-up page 7

Nimby blow to mental health p2

Bonanza for private profiteers

Gordon Brown eventually relented in his March 2000 budget, and at last came forward with substantial new money for the NHS. Last month's 2001 budget added another £1 billion – over three years.

We welcome the increases, which mean that spending as a share of Britain's GDP is set to rise by almost 2 percent by 2004 – a £13 billion a year increase on 1999.

But a worryingly large proportion of the new money will be funnelled towards various



private companies and employers, rather than developing a public sector health service.

Alan Milburn's NHS Plan drawn up during the summer appeared to hit many key issues: but it has proved to be a formula for shovelling billions from the NHS into the coffers of the private sector, while morale among health workers hits rock bottom.

A new raft of hospital building schemes to be paid for through the Tories' Private Finance Initiative (PFI) will push the total value of hospitals to be rented from private firms by the NHS to a staggering £7 billion, with more still to come.

PFI deals lumber local NHS Trusts with an obligation to pay hefty rents and service charges – guaranteeing profits to the private sector – for the next 30 years, while liquidating more than £600m worth of existing NHS assets in land and property.

This bonanza for private sector profiteers follows hard on

the heels of Milburn's controversial "Concordat" with the private medical industry: NHS Trusts which run out of beds to treat waiting list patients are now expected to fork out the cash to send them for treatment in nearby private hospitals.

This has certainly put a smile on the cheeks of Britain's desperately unpopular and struggling private sector. Even after 21 years of Thatcherite spending policies have squeezed the NHS and forced up waiting lists, most private hospitals have been jogging along barely half full, for lack of sufficient rich and stupid patients: Milburn's cash injection is just what they wanted.

Predictably Manchester's BUPA Hospital boss Stephen Bird was over the moon, reporting in January that bed occupancy had leapt to 100% compared with the more normal 50-60%, with work from the NHS up threefold.

Analyst William Laing pointed out that the increase in contracts would "make a bigger difference to the independent hospital industry than to the NHS. It could significantly increase the amount of business they do in total."

No estimates have been published on how much this half-baked scheme could cost the NHS, but there is no doubt that it is a sure-fire "lose-lose" situation for hard-pressed hospital chiefs.

Not only will the Trusts under the greatest pressure be obliged to find cash from their budgets to line the pockets of the private operators – but they will also see vital staff

lured away from front-line jobs in the NHS to do the work.

Milburn even boasted that "the doctors will be NHS doctors, and by and large the nurses will be NHS nurses."

They certainly will: the private sector trains no staff at all, but never scruples to poach nursing and medical staff trained by and for the NHS.

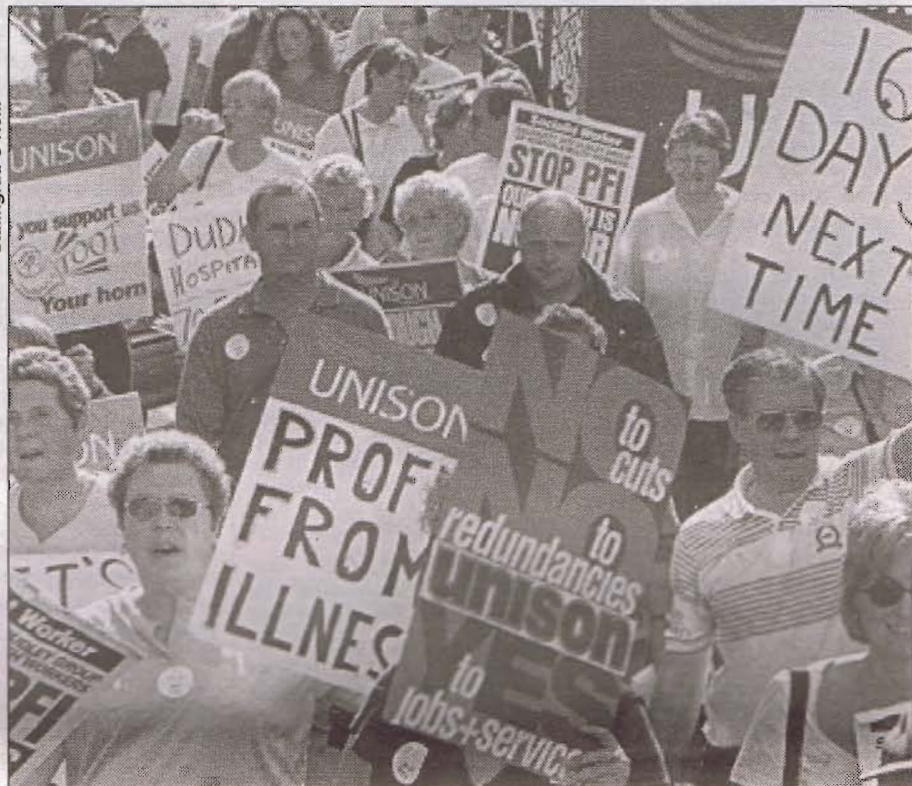
Some Labour backbenchers, like Commons Health Committee chair David Hinchcliffe, have become increasingly uneasy over the way the extra NHS cash is being spent, and the de facto privatisation of buildings and areas of care.

"It is very wrong of the government to get into bed with the private sector, which has, over the 50 years of the NHS constantly attempted to undermine the concept of state health care," said Mr Hinch-

cliffe. "Giving it comfort at a time when it is known the public sector is struggling is not something I would expect a Labour government to do."

Meanwhile the much-touted hospital clean-up campaign does not begin as it should with bringing support services back in-house, and reintegrating domestics and other support staff with the NHS team: instead it tiptoes feebly around, seeking to renegotiate contracts to allow ward sisters to monitor standards of private cleaning firms.

PFI schemes should be scrapped at once, and some of Gordon Brown's unspent surplus should be made available as a new pool of NHS capital for a redevelopment of hospitals, mental health and community services as assets for the future.



Stalingrad O'Neill

Go for it, Alan!

Health Emergency is pleased to lend its support to Health Secretary Alan Milburn on one issue of importance in the Health and Social Care Bill.

Milburn's move to clamp down on new consultants doing private work may not go as far as some health workers and campaigners would like, but it is an important fight.

The fight to pull consultants fully into the NHS was fudged by Bevan in 1948: it must be won now.

Concessions: but CHCs face abolition

IT TOOK a while to get off the ground, but strong lobbying against the government's proposal to abolish Community Health Councils, the patients' statutory watchdog since 1974, has gathered strength.

The government plans to replace each CHC with a complex arrangement of four new bodies in each area, in a system that will cost five times as much to run.

Vaguely-defined patients forums, Trust-based Patient Advocacy and Liaison Services (PALS), local authority scrutiny panels and specialist advocacy services are all untried bodies – and none would have the centralisation of expertise and the broader local overview of the best CHCs.

Under pressure from backbenchers, the government has agreed to accept amendments, but not to lift the



Abolition man: Milburn threat of abolition from CHCs as we go to press. LHE has opposed abolition as a step back from accountability in the NHS.

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