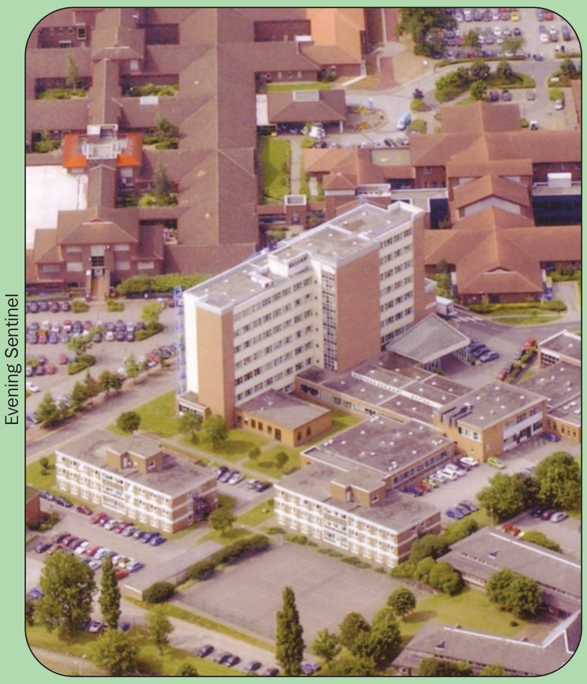
UNISON NEWS

As Hewitt's hit squads plan more cuts

UNISON report slams UHNS 'System failure'



Evening Sentinel

A hard-hitting report analysing the rapid plunge into crisis of a previously stable and expanding NHS Trust was published by UNISON, just days after Health Secretary Patricia Hewitt named the University Hospitals of North Staffordshire Trust as one of the 18 worst Trusts in England.

UNISON's report 'System Failure' rejects the notion that the Trust's £18m financial shortfall, which has brought the departure of two chief executives, a finance director, the Trust chair and all of its non-executive directors, can be dismissed as the result of failures by local management.

It shows how a combination of ambitious targets to reduce waiting times, underfunded pay settlements, contradictory guidelines on prescribing, and soaraway inflation from the pharmaceutical industry and private sector providers has forced busy, successful Trusts such as UHNS into crisis.

The problem in North Staffordshire and many financially-challenged Trusts and PCTs can be tracked back to the period in the run-up to last year's general election, when NHS managers around the country were being tacitly urged to avoid making cuts to balance their books.

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The Trust has been delivering improved and swifter clinical care – but the system has not provided sufficient cash to meet targets

UHNS managers were also preparing their case to win support for a £400 million project for a new hospital to be funded under the controversial Private Finance Initiative (PFI).

In seeking to minimise the apparent financial difficulties of the Trust, Trust managers were doing exactly what ministers wanted them to do.

System failure

UNISON is convinced that the UHNS crisis – coming after six previous years in which the Trust achieved balanced budgets – is primarily the result not of individual management incompetence, but of a systems failure within the NHS as a whole.

The report concludes that as long as they have to operate within the same financial constraints and contradictory policy framework, there are no grounds to believe that the new replacement directors will be any more successful at delivering the necessary level of services within an inadequate budget.

UNISON's UHNS Branch Secretary Pat Powell said:

"UNISON commissioned this report because we want everyone to see that the crisis in our Trust is one generated by government policies and by problems affecting the whole NHS.

"Hundreds of jobs are at risk if the government tries to bring in a new bunch of managers to force through cuts without regard to the causes of the problem."

Report author Dr John Lister of London Health Emergency said:

"If ministers delude themselves that they can sort out the problems at this Trust by sending in a team of accountants to sack some staff and order others to work harder, they run the risk of destroying all the hard work that has been done in developing a high performance and forward-looking Trust.

"It's a systems failure, and they must repair the system they have screwed up, rather than undermine the health care for patients in North Staffordshire."

PCT faces hit squad

A team of troubleshooters has also been dispatched to North Stoke Primary Care Trust, which had also, month by month revealed a steadily worsening financial situation, with a deficit that has widened from an initial estimate of £5m to £8.5m.

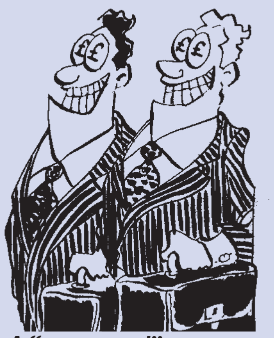
As one of the main commissioners of health care from UHNS, the PCT's efforts to balance its books by restricting spending can have a serious knock-on impact on the hospital Trust. As a result, elective operations on North Stoke residents are being postponed to the maximum amount allowed under government waiting time targets – and the flow of funds from the PCT to UHNS has also been correspondingly cut back.

From heroes to zeroes

Rise and decline of the Trust and its directors

University Hospitals of North Staffordshire is a Trust with a local catchment population of 500,000 people, and provides specialist services for a wider population of 3 million. It treated over 77,000 in-patients last year, along with 36,000 day cases and delivered 261,000 outpatient appointments. Its turnover is around £300 million.

But while the Trust has been hitting or exceeding most government targets to reduce waiting times for in-patient and outpatient treatment, and delivering real



A "turnaround" team

improvements, along with the development of a new and successful medical school, it has clearly been doing so only by busting through the cash limits it has been obliged to work under, and performing extra treatment for which there is no guarantee that the Trust will be paid.

Figures show that the Trust has been overspending by a massive £2m per month since April, and as a result the financial problems which have hung over Trust bosses since the summer of 2004 have escalated.

It now faces a £34m shortfall, and has been seeking cuts including 500 job losses to save £16m this financial year. 50 newly qualifying nursing students have been told to look elsewhere for jobs as all but the most vital vacancies are frozen.

In early December it was announced that UHNS would be one of 52 debt-ridden Trusts around the country to face a government-appointed hit squad of managers, accountants and private sector advisors.

These so-called "turnaround teams" aim to speed up the imposition of cuts and efficiency measures to balance the books of flagging Trusts, and staff braced themselves for their visit to UHNS on December 13.

Just over a week later the non-executives and Trust Chair resigned, announcing that a new "caretaker" board would run the Trust from January, pursuing the cutbacks that still had not been carried through. Early in January their resignation was followed by the departure of the Trust's Chief Executive Peter Blythin.

But the departure of the old managers has not seen the arrival of any replacement with a magic wand to achieve the impossible task of balancing the books without massive cutbacks.

Where has all the NHS money gone?

Ministers constantly respond to questions on the financial crisis by insisting that NHS spending has doubled since 1997.

But this does not tell the whole story: when the Labour government took over in 1997, many Trusts were facing deficits which had been "managed" by one-off financial measures year by year.

And for the first three years of the new government, in which Gordon Brown upheld Tory cash limits, and NHS spending only rose marginally against inflation, this same situation continued.

Some Trusts have carried forward deficits in one form or another ever since. UHNS was relatively unusual in apparently balancing its books for several years before the latest crisis emerged into view.

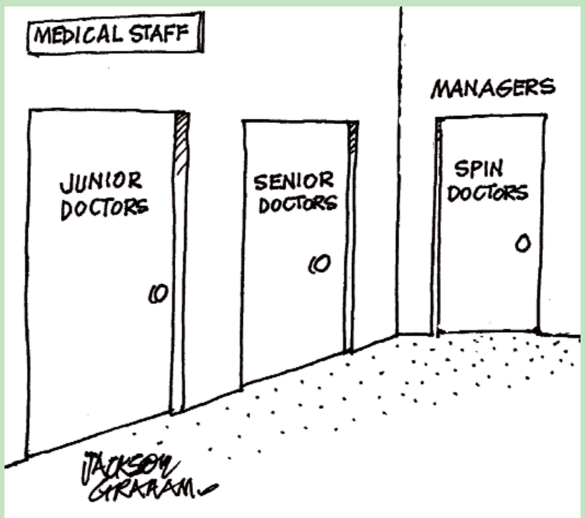
When the NHS Plan of 2000 was followed up by the new government policy of substantial real terms increases year on year in NHS spending from 2001, every additional £1 million came with strings attached – in the form of at least an additional £1m worth of new targets, including reduced waiting lists and waiting times, improved performance in A&E, etc.

The NHS employers' body the NHS Confederation has argued that almost three quarters (73 percent) of the additional money in 2004/5 was allocated to services that had previously been "chronically underfunded". The Confed cites the Wanless report into NHS funding which calculated the cumulative underspend between 1972 and 1998 at £220 billion in 1998 prices.

■ 20 percent of the extra money has been spent on providing additional services, which in the case of UHNS have meant a dramatic cut in waiting times.

■ Numbers of staff across the health service have also increased, with 10 percent more GPs, 20 percent more nurses, 22 percent more health professionals, and 30 percent more consultants than 1999.

■ Pay settlements for GPs and consultants and the European Working Time Directive have substantially increased costs for PCTs and NHS Trusts, while Agenda for Change has increased the overall pay bill across all sections of staff.



■ External supplies and services from the private sector have gone up in price even more rapidly. The NHS drug bill has increased by 46 percent since 2000, to £8 billion, pushed upwards by costly new drugs (like Herceptin).

■ PFI schemes are forcing up overhead costs and taking an increased share of NHS Trusts' income, averaging 11 percent of their total budget.

UHNS critical care beds have been running at 11 percent above the NHS "reference cost"

■ Costs of the new IT systems are rocketing upwards.

■ The private sector has been forcing up NHS costs, while NHS staff are working ever harder to meet tough performance targets. Office of National Statistics figures show that in 1995, for every £1 spent on NHS staff, 71p was spent on goods and services from the private sector: but by 2003, for every £1 spent on staff, £1.14 was spent on private sector goods and services.

The UHNS Trust's spending on clinical "supplies and services" rose by a massive 28 percent (£10m) between 2003 and 2005.

■ Constant national level reorganisation of the NHS (the current shake-up is the fifth major change since 1997) has also consumed management time and resources, and confused and demoralised 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 underused and less efficient.

To avoid incurring losses under the new financial regime, a Trust would have either to find ways of slashing back its costs (predominantly through cuts in staffing and skill mix) or decide to pull out, and close down services which jeopardise the viability of the Trust as a whole.

The UHNS critical care beds have been running at 11 percent above the NHS "reference cost" – the benchmark tariff that will determine the amount Trusts receive for each item of treatment.

Other services facing similar pressures at UHNS are General Medicine (18 percent above reference cost) and Neurology (42 percent above).

Throughout much of the last financial year it was clear that Trusts and PCTs were running up large and unbridgeable deficits: but this was the run-in towards the 2005 General Election, and there was little if any government pressure to balance the books at the expense of politically embarrassing cuts in services.

As a result, 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 North Staffordshire.

The NHS is receiving more money than ever, but is facing much bigger cuts than at any time in its history.

Fighting them on the beaches...

UNISON nurses took the union's campaign against the privatisation of NHS services to last year's labour Party conference in Brighton

The failed system that triggered the UHNS crisis

Tony Blair's government came to office in 1997 pledged to scrap the bureaucratic and wasteful "internal market" system introduced under Margaret Thatcher and John Major.

But despite early positive moves to sweep away GP Fundholding, the main structures of the market – the separation of the NHS into "purchasers" (now commissioners in the form of PCTs) and providers (NHS Trusts) – has remained intact.

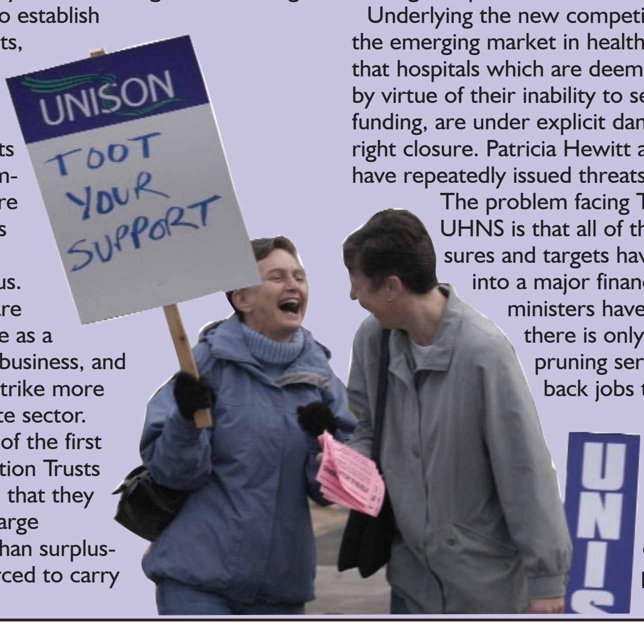
New Labour has also revived another Tory policy which it denounced when first proposed in the early 1990s: the Private Finance Initiative. In the run-up to the 1997 election Labour spokespeople proclaimed their intention to 'rescue' PFI and make it work.

Each of the national policy statements since 1997 has focused on PFI as the principal means of funding new hospital development, despite continued opposition from UNISON, other unions and analysts who pointed to the massive increase in costs, the squeeze on hospital services, the inflexibility of long-term PFI contracts, and the exploitation of non-clinical support staff transferred to private contractors. Over 96 percent of all new hospital spending planned and implemented since 1997 has been financed through PFI, meaning that more than two dozen NHS Trusts with completed PFI hospitals are already paying a substantially higher proportion of their income on "rent" for their buildings and privatised support services.

Health secretary Patricia Hewitt has refused to bail out floundering NHS Trusts, but is pumping billions into new private sector treatment centres

Having narrowly forced the legislation through the Commons to establish Foundation Trusts, ministers have been keen to force more and more NHS Trusts to remodel themselves along more commercial lines and to bid for Foundation status.

Foundations are urged to operate as a "not for profit" business, and encouraged to strike more deals with private sector. However many of the first wave of Foundation Trusts have discovered that they stand to retain large ***deficits*** rather than surpluses, and been forced to carry through cuts in staff and services.



Meanwhile an increased focus of ministerial attention has been focused on the policy of 'patient choice', under which patients are now to be offered a choice of four alternative providers when referred for hospital treatment – one of which must be in the private sector. In order to create a sufficiently large private sector to make this a possibility, the Department of Health has begun an intensive programme of financing chains of "Independent Sector Treatment Centres", and pressurising Strategic Health Authorities to increase the share of NHS funding that is spent with private sector providers.

The first wave of "Independent Sector Treatment Centres" (ISTCs), run for profit by overseas companies, are now coming on stream, with guaranteed contracts, charging prices well above prevailing NHS reference costs: ministers have stressed the need to develop this new private sector to create what they now term "contestability" (i.e. competition) in the provision of acute hospital services.

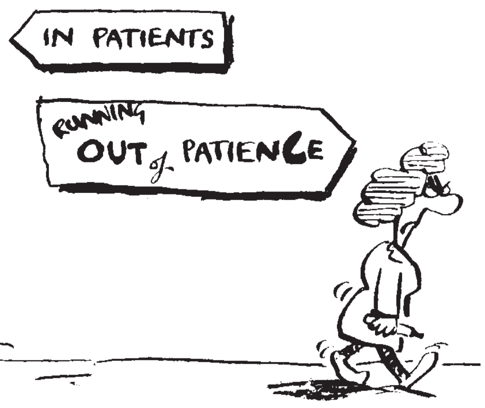
Patricia Hewitt's first major announcement as Health Secretary following the 2005 election was the allocation of a further £3 billion to finance a second wave of ISTCs, together with another £1 billion for private sector diagnostic services.

The funding is ringfenced for private sector bidders: NHS providers are banned from submitting competitive bids.

Underlying the new competitive pressures of the emerging market in health care is the threat that hospitals which are deemed to be "failing" by virtue of their inability to secure sufficient funding, are under explicit danger of cuts or outright closure. Patricia Hewitt and other ministers have repeatedly issued threats to this effect.

The problem facing Trusts such as UHNS is that all of the various pressures and targets have forced them into a major financial crisis, in which ministers have insisted that there is only one solution: pruning services and hacking back jobs to balance the books on existing levels of funding – while PCTs and rival Trusts are forced to follow exactly the same prescription.

Countdown to chaos: the downward spiral at UHNS



At the end of November 2004 the Trust faced an overspend of £1.2m, but an alarming £5.5m gap on the achievement of recurrent savings at corporate level.

Deputy Chief Executive Peter Blythin reported in December that the Trust had "overperformed" to the tune of treating an extra 2,986 emergency cases and 752 day cases – although the funding for this level of treatment was not guaranteed. No in-patient was by this time waiting more than 9 months for treatment.

In January 2005 Esther Owen told the Board that a savings package of £14.5m had been identified, although still more than £5m of this was covered by non-recurrent, rather than recurrent savings – and "would represent a cost pressure in 2005-6".

Despite this inherent weakness, by April, the Trust Board was congratulating itself on being, as Dave Crowley put it: "the only acute trust throughout the Shropshire and Staffordshire patch forecasting break-even at year end."

"Give it to us straight. How long have we got?"

By July the situation had lurched rapidly into crisis. Mrs Owen told the Board that the Trust was already overspent by £1.2m in the first two months, while there were tough savings targets of £4.9m for the divisions, and an even tougher corporate savings target of £21.5m for the year. Cost pressures on the Trust were even higher again – at £30.5m for the year – and as a result even the usually optimistic Mrs Owen was predicting a year-end deficit of £9m.

The Trust had been working on expenditure plans costing £322m, even though its baseline income stood at just £288m

By October Mrs Owen had departed, and been replaced by Ms Sandy Hogg, who had impressed the Straegic Health Authority by the fact that she had already "implemented a number of cost saving measures".

Among these cost-savings was the decision in October to extend the vacancy freeze to cover all posts throughout the Trust, following instructions from the SHA to reduce workforce costs in line by the equivalent of 40 jobs per month. Plans were drawn up to cut 266.8 whole time equivalent posts during the year, with the loss of 14 consultants, 67 nursing and midwifery staff, 23 scientific staff, 37 clinical support staff, 11 non-clinical and a massive 115 admin and estates staff.

The November Trust Board heard the scale of the underlying problem: the Trust had been working on expenditure plans costing £322.5m, even though its baseline income stood at just £288m. Despite this £34.5m gap, in July the SHA had set UHNS a target of delivering a deficit of no more than £4m – so setting a savings target for the remaining 5 months of the financial year of £30.5m – over 10% of the Trust's income.

Figures reported to the November Strategic Health Authority meeting showed the projected year-end deficit had risen to £18.2m.

In December the Trust's resigning chairman Professor Paton insisted in an interview with the ***Evening Sentinel*** that neither the Trust's regular auditors nor the SHA's audit of North Staffordshire agencies during the summer had picked up on the errors in financial reporting.

A balance sheet to the end of September also showed that the Trust's Income and Expenditure Reserves, which amounted to over £9m in March, had slumped to a deficit of £3.26m six months later – a deterioration of over £12m.

With over-blown spending plans, inadequate income, over-ambitious capital programmes and no reserves at all, the Trust has continued treating more patients than agreed by local PCTs, and delivering high scores on reduced waiting times: it is clear that this is not sustainable.

A whole county in crisis

UHNS is not the only Trust in trouble in the area

According to the most recent SHA Financial report (November 2005), even though all the PCTs in Staffordshire and Shropshire had originally planned for a break-even in 2005-06, by October they were facing a combined forecast deficit of £20.5m, three quarters of this down to Staffordshire's PCTs:

- **Burntwood, Lichfield and Tamworth PCT is forecasting a £4m deficit**
- **North Stoke PCT was forecasting a £5.6m deficit, although this projected figure has since sharply increased.**
- **South Stoke PCT was blaming excess bed-days delivered by UHNS as part of the reason for its projected £900,000 deficit.**
- **Staffordshire Moorlands PCT had scaled down its projected deficit to £4.9m after "stringently reviewing" its reserves.**

The picture across these NHS bodies in Staffordshire worsened by a staggering total of £19.836m between months 5 and 6, plunging the entire local health economy into crisis.

But since the policies which produced this situation were already in place, it seems clear that this was a reality check on previously unsustainable figures rather than a significant change in the underlying financial situation.

Staffordshire, like many other parts of the NHS, had been living a lie.

UNISON

What we think

The crisis now gripping University Hospitals of North Staffordshire is not directly of the Trust's making, but a combination of factors arising from contradictory government policies.

The entire health economy of North Staffordshire is in such a deep deficit, alongside a massive shortfall in social services budgets, that unless ministers step in with a rescue package, the downward spiral seems certain to continue and accelerate.

A succession of over-optimistic spending plans and "savings" packages over the last 18 months have shown that the measures so far adopted are unlikely to achieve the objective of balancing the Trust's books, while any steps to redress the deficits in North Stoke PCT or other Staffordshire PCTs are likely to reduce spending on hospital care, and thus compound the crisis at UHNS.

The policies already adopted are set to lengthen waiting times and reduce the quality of patient care through unplanned cuts in staff across the board.

Nursing cuts

Short term targets for cash savings have led to the abandonment of long-term plans to reconfigure the workforce – and brought the spectacle of 50 newly qualified nurses being denied jobs in an NHS which is crying out for nursing staff.

The high costs of the plan for a new hospital funded through the Private Finance Initiative at a cost of £420m are piling additional pressures on Trust bosses to make their financial affairs seem presentable to potential private sector 'partners' – and to the Strategic Health Authority and ministers who will have to approve the deal.

But the index-linked £52.6m a year deal for the new hospital will drain a sixth of the Trust's income over 30 years, costing far more than financing the new building through a conventional mortgage. It is both unaffordable and poor value for money, driving forward more cuts in vital services.

A PFI-funded hospital would make the Trust even more vulnerable to the pressures of the government's controversial new system of funding health care through "Payment by Results".

Since every item of treatment would be reimbursed at no more than the government's fixed tariff of reference costs, hospitals with high overheads stand to lose out heavily, and may have to close departments which incur heavy losses.

Targets

"I'm not Dr Jekyll – I'm Mr Hyde the accountant"

Perverse government targets and pressures within NHS management have meant that long-term and recurrent deficits are often concealed until too late. As a result forecasts and predictions which respond to government policy and pressure, and aim to ensure the status of the Trust in the eyes of SHA, government and private sector, can prove seriously misleading.

More money will be drained from the local NHS budgets by the government's insistence on Patient Choice and the expansion of new profit seeking diagnostics and treatment centres. Every patient opting to use these private centres would take the funding (and possibly also the staff to deliver the treatment) out of the NHS, leaving local services short of cash to deal with the most costly and complex cases.

If the gains and successes of the UHNS Trust over recent years are not to be put at risk, ministers must see the light and step in with additional resources to enable a comprehensive health care service to be provided to the people of North Staffordshire.

There should be further inquiries by the SHA to establish whether senior UHNS directors at the time deliberately gave a false picture of the robustness of the Trust's financial recovery programme when seeking approval for the PFI Full Business Case in July and August 2005.

Disappearing directors

The departure of four non-executive directors and Trust Chair Professor Calum Paton at the end of 2005 may appear to be an honourable acceptance of responsibility for their obvious failure to ask sufficiently searching questions about the finances and projections presented at Board meetings, but the upshot is to deny staff at UHNS any opportunity to hold those responsible for the current situation to account.

The prospect of an interim "caretaker" Board being assembled from various parts of Britain will inspire neither trust nor confidence in staff or the wider local public and service users as they face a new round of cutbacks driven by the government-appointed "turnaround team". The result is likely to be a Board less informed, less effective and less accountable than before, and with little or no connection to North Staffordshire and the Trust that has made such progress in recent years.

UNISON defends its members and their jobs at UHNS, in the context of defending the National Health Service as our only option for a comprehensive health care service, available to all, and free at point of use.

We urge local MPs, councillors and the Trust and PCTs to join with us in pressing for adequate funding to preserve the services that have been established at high quality in North Staffordshire.

The last straw:
Soaraway costs undermine UHNS PFI scheme

THE £400m PLAN to replace the existing buildings with a new acute hospital on the City general site, incorporating a Diagnostic and Treatment Centre, and serving the whole of the City, and to build a new community hospital to serve the north of the City has been taking shape for the last five years.

A Strategic Outline Case was developed in 2000, and given ministerial approval in February 2001, and the next stage, the Outline Business Case was approved in August 2002.

Since then a consortium headed by Equion (a division of John Laing plc) and including Sodexho, Laing O'Rourke and Siemens, has been selected as the preferred provider for a scheme described at the time (December 2003) as worth £350m, bringing an end to any form of competition in the process.

We can now clearly see the incredible and unsustainable over-optimism of the financial projections put forward by the Trust as it attempted to persuade the private sector partners and the SHA that the scheme was affordable and the Trust was on a sound financial footing.

Chief Executive Dave Crowley admitted the Trust faced serious financial difficulties, including the underlying deficit carried forward from last year, the "major problem" of Payment by Results, and the HR agenda. But he argued that it was set to "embrace the future" with Financial Recovery Solutions, and "move to a lean commercial-style entity".

But the question must be asked: how many of the Trust's directors were aware even as these discussions were being held that the picture being presented was false?

On July 28, a team of senior managers from UHNS attended a meeting in Stafford to discuss the Full Business Case ("Fit for the Future") and the Financial Recovery Plan. Mark Thorne for the Trust claimed, without any foundation in the figures the Trust had produced, that the PFI financing of the new hospital project represented "substantial advantages over the PSC [Public Sector Comparator]". In fact the difference in claimed costs between PFI and PSC comes out at just one tenth of one percent over 39 years on the whole scheme.

If this PFI scheme follows the pattern elsewhere, the additional costs will be transferred into additional years of payments, suggesting a total cost of between £1.6 billion and £2 billion for the UHNS share of the new hospital.

Mr Thorne also concluded, with little evidence, that the scheme represented "value for money", without any serious discussion of whether the Trust would be able to afford its share (£48.6m) of the index-linked payments of £52.6m a year for the next 30 years.

The Trust claims (again with no supporting detail or evidence) that the alternative to the new hospital would be to spend a staggering £400 million on repairing "old decaying buildings" and backlog maintenance.

The Strategic Health Authority appears to have accepted that the new hospital development is "iconic" for North Staffordshire, an imperative, which would have a "political impact".

The SHA professed itself convinced that the project was "well negotiated and fundamentally sound". They were "reassured" by promises to make further savings this year, and "happy with what has been said".

It is clear that the ill-founded optimism was shared by Trust and SHA executives.

On this basis the SHA was recommended to give approval to the Full Business Case, with four caveats:

- The scheme remains affordable and the revenue cost does not increase by more than 5% [£20m]
- The scheme continues to demonstrate value for money
- Financial close occurs within 3 months of SHA approval
- External auditors must provide an opinion on whether the scheme can be regarded as "off balance sheet".

We now know that the financial situation lurched from bad to worse in the subsequent few months: the SHA should seriously consider an inquiry into the extent to which they were misled by Trust directors on the basis of information they had available at that time.

Although they do not write off the project, the Audit Committee reservations threw considerable doubt over the future of the PFI scheme, which stands to slice off a minimum of 16% of the trust's total income in a legally-binding, index-linked unitary charge for the next 30 years or more – at a point where the Trust is facing an overspend of at least £18m this year, with recurrent deficits that have not been resolved.

As the news of the change of policy hit the local paper in Stoke on Trent, a spokesman for the SHA told the ***Evening Sentinel*** (November 21):

"The Department of Health will laugh at us if we sign this business case, and then request their approval for the hospital, without full plans in place to recover the debt."

The headline cost of the project has already risen from £350m to £424m: the SHA has conceded that this could increase by up to 5% before financial close, and has also accepted that the new delay in the scheme could incur additional costs.

This suggests that the final cost could easily rise to £450m or more – 28% higher than the projected cost just two years ago.

If this PFI scheme follows the pattern elsewhere, the additional costs will be transferred into additional years of payments, suggesting a total cost of between £1.6 billion and £2 billion for the UHNS share of the new hospital.

Whether this represents good value for money would be a possible debate for a Trust in surplus, but it seems quite clear that for one facing deficits on the scale of UHNS the PFI scheme could be the final straw to break the camel's back.

Costly errors

The £420m PFI-funded University College Hospital London has not been open a year, but is already facing cash problems and closing beds

Disappearing directors pass the buck

Two Chief Executive s and Finance Director Esther Owen have already departed from their posts before the full scale of the problem became apparent.

The external audit and the arrival in mid-December of the government-appointed hit squad to force the pace of cutbacks was followed by the departure of the entire non-executive component of the Trust Board.

Trust Chair Professor Calum Paton, had held the post for five years and had another possible three years still to serve. He has said that he and his fellow non-executives were doing "the honourable thing" in taking responsibility for failing to ask sufficiently searching questions of the financial reports they had accepted in the previous 12-18 months: "the buck stops with us".

However Prof Paton has become the director of Keele University's health policy and planning unit, and he told the ***Evening Sentinel*** that his University department was now consuming more of his time.

We might have thought that the situation of UHNS and similar Trusts across the country – not least the clearly ineffective role of non-executives on Trust boards – might offer an excellent topic for further study and analysis by students and senior academics in his department.

According to Prof Paton, the four non-executive directors who resigned their £5,000 part-time posts were "coming to the end of their terms of office anyway".

But the upshot is that nobody who had been in a position to challenge the inadequate financial projections, or responsible for the growing crisis, now remains to be held to account.

The new Board members who take over in a caretaker role will be even less accountable to local people or NHS staff than those who resigned last month.

Strategic Health Authority chair Mike Brereton told the ***Evening Sentinel*** that he had been "in touch with his counterparts throughout Britain to ensure an interim board could be in place as soon as possible". There is no reason to believe a new board cobbled together on this basis will be any more rigorous or independent than the directors they have replaced.

It is most unlikely that they will have any connection or loyalty to the local area or the future of the Trust. So we can expect them to ram through new, more stringent cuts proposed by the so-called "turnaround team".

A snapshot from the recent past

According to the UHNS Trust's 2003-4 Annual Report:

"Five years ago we were a pretty ordinary district general hospital, albeit one of the largest and busiest in Britain, with more than 1,300 beds serving our local population of around half a million.

"With the opening of the undergraduate medical school we became a teaching hospital. We are now putting greater emphasis on research and are developing new facilities.

"We provide well-respected specialist services for a population of three million across and area including Staffordshire, Cheshire, Shropshire and Derbyshire.

"Our services have continued to grow and along with them our staff, who now number more than 7,000.

"… It was always said that balancing the conflicting demands of emergency admissions, planned cases and finance was almost impossible. This year we have done it, meeting all our targets for patient care and balancing our books."

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