

# Underfunded, underpaid and under pressure

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In the final part of his series, JOHN LISTER examines how market-based reforms have proved a total failure

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THE NHS cash squeeze means only limited budgets have been available for experimental “lead provider” contracts — such as elderly services contract in Cambridgeshire — in which a single organisation (private or NHS) takes the lead.

The contracts offer insufficient possibility of profit to attract private companies. Indeed the Cambridgeshire contract offered too little money for even the winning NHS-led consortium to deliver acceptable services as specified and cover its costs, and the flagship contract swiftly collapsed.

The NHS is turning to older and tested models to hold back spending, but it doesn’t want to say so. Current rhetoric is evasive on the tough cutbacks trusts and clinical commissioning groups (CCGs) are being expected to make. The latest guidance on delivering the Five Year Forward View states: “Spanning providers and commissioners, these plans will set out the mixture of demand moderation, allocative efficiency, provider productivity and income generation required for the NHS locally to balance its books.”

Potentially drastic measures are summed up in these bland phrases — “demand moderation” (reducing the numbers of people attending A&E); “allocative efficiency” (spending on the “right” things, and by definition cutting out some areas of spending).

Beneath the spin, flannel and evasion, and despite the continued lack of any concrete plan to deliver it, the aim is still to achieve £22 billion of efficiency savings.

Making this a reality on the ground is more complex. NHS England boss Simon Stevens’s initiative to tackle financially troubled trusts and CCGs was to establish three “success regimes,” covering whole areas, in Devon, Cumbria and Essex. That was in 2014.

So what’s been done to sort these situations out? Nothing.

In Essex they have only just appointed a project leader to head a burgeoning and costly bureaucracy, while the area covered by the “regime” has been narrowed down to exclude troubled trusts in Harlow and Colchester.

Nothing much has happened in Cumbria or Devon either. All are promising plans, but none have yet appeared.

In Cambridgeshire, the ongoing challenge is how to prop up the chronically broke Peterborough and Stamford Hospitals foundation trust, by forcing through a “merger” with, and cannibalising, Hinchingsbrooke Hospital 25 miles away. But both hospitals are in Tory constituencies and nobody can work out how to sell this politically.

As the various evidence-free and experimental proposals of Stevens’s Five Year Forward View are tried out in the context of the tightest financial squeeze in the history of the NHS, the big question remains unanswered: is it a blueprint for wholesale privatisation? If it is, given the political sensitivity and the divisions among the Tories, how far can he really go?

What is clear is that balancing the books in 12 months can only be done through painful cuts and reviving dormant and unpopular plans for reconfiguration and hospital closures, by rationing care, excluding some treatments for all, and some treatment on “lifestyle” issues.

In challenging these attacks, especially on cuts and closures, campaigners will find themselves in line with local communities and large numbers of concerned residents.

There will be opposition, and often this will turn on local politicians — MPs and councillors — who do not stand up for local services. This is difficult for a Tory Party so divided already on Europe and other issues, especially when local MPs are exposed to public anger in more and more areas.

It’s not at all clear that David Cameron and George Osborne have yet fully embraced a scorched earth policy of simply trashing every public service in the teeth of opposition from their own ranks. Nor even is it clear that the Tories are committed to Oliver Letwin’s plan to crash-land the NHS in order to destroy confidence in it and open up more privatisation.

There have been plenty of U-turns on other issues — not least the recent about-face on disability benefits. And NHS privatisation is an even more emotive policy for the Tory ranks to swallow, even if the private sector really wanted to take on the whole underfunded NHS.

A vital component of rolling back cuts is for the Labour Party to get into gear and recognise its role as the opposition to a vicious Tory government. Labour built the NHS in 1948: has its leadership now got the guts to fight to restore it in 2016?

There is leverage for campaigners. Local resistance can defeat cuts. But it can also lead to a challenge to the disastrous, extravagant market system introduced by Andrew Lansley.

Campaigners should begin by demanding full publication of the financial situation and implications of the proposals — and begin to call the bluff of the rhetoric.

We should be calling for existing outsourced contracts to be brought back in house as they are terminated, and for the costly and wasteful apparatus and bureaucracy of the NHS market to be disbanded, freeing resources for patient care.

Every time NHS bosses roll out the hypocritical nonsense of seeking “integration” of health and social care, campaigners should press in every area for properly funded, publicly provided social care based on NHS principles, given by the NHS, free at point of use and funded from general taxation.

If NHS bureaucrats want to boast that they are now in favour of collaboration, let them start engaging seriously with staff, trade unions, public and patients, and with local communities who are so often ignored when plans are devised.

Different issues will be more relevant in different areas: one common factor is rejecting austerity-driven health policy, and cuts in local services driven by the budget squeeze.

The only cut we want to see carried through is the cutback in the bureaucracy of the market, which drains resources from patient care and undermines public provision to open space for private-sector providers.

Let’s push any and all of these buttons to expose the waste and skewed priorities of the market, and the need for legislation to abolish it. This should be based on the principles of the NHS Bill that was moved by Green MP Caroline Lucas but talked out in Parliament on March 11, when it should have received its second reading.

It’s high time Labour recognised the need for action and legislation, before it’s too late. We’ve still got a lot of NHS to defend, but once it’s gone, it’s gone.