

# Oppose cuts to Manchester hospitals

The Socialist Equality Party candidate for Ardwick, Robert Skelton  
2 May 2011

The gutting of the National Health Service (NHS) will have a disastrous impact in Manchester, in particular in the Ardwick ward.

Ardwick is a district with generally high unemployment, but which has a much higher rate of people employed in health and social work (41.6 percent) than in Manchester as a whole (16.2 percent). Many are employed at the local Central Manchester Hospitals complex, located on the west side of the ward and employing 8,000 people.

Workers in wards such as Ardwick and nearby Longsight, Hulme and Gorton rely on these public sector jobs and the vital services they provide. Their loss will further devastate a region in which manufacturing employment has all but disappeared.

Despite the government's claim that the NHS is being "ring fenced" from cuts, the reality is that health trusts throughout the UK have been instructed to make £20 billion in "efficiency saving" over the next four years. NHS North West, which covers Greater Manchester and Liverpool, is making £2 billion in cuts, including thousands of job losses.

Primary Care Trusts in Manchester, Bury, Oldham, Heywood and Middleton have halted 57 surgical procedures until May, including the removal of hernias, varicose veins, cataracts, gallstones, tonsils, and the replacement of arthritic joints. The Accident and Emergency unit in Rochdale is being restricted to daytime opening hours in preparation for closure next year.

Greater Manchester's 10 primary care trusts are to impose health care cuts of £950 million over the next four years. Central Manchester Hospitals is slashing spending by £30 million a year and has announced 1,400 jobs are under threat. In February it wrote to all its 8,000 staff requesting they apply for "mutual resignation".

The cuts that are wrecking what remains of public health care are a product of the austerity being imposed as a result of the 2008 bailout of the banks. But they are also central to the rush by the Conservative/Liberal Democrat government

to privatise the NHS, as outlined in its Health and Social Care Bill.

The bill proposes to give 80 percent of the £100 billion NHS budget to general practitioner (GP)-led consortia, so that they can commission patient treatment from "any willing provider". All public hospitals will be freed from direct oversight by the Department of Health. With the proposed ending of fixed prices for treatment, they will be forced to compete with the private sector.

Trafford General Hospital was where the first NHS patient was treated in 1948. Trafford Healthcare NHS Trust recently confirmed that privatisation is being considered due to its enormous levels of debt. A trust spokesman said this month, "Our strong preference is to be acquired by one of our neighbouring foundation trusts and we are currently engaged in a process to achieve that," but if "this does not prove possible we will move to an open process. This would involve inviting other NHS trusts and social enterprises to bid to acquire us as well as the private sector."

Trafford is £8 million in debt, which could reach £75 million by 2015. These debts remain even though the hospital has slashed costs by 19 percent. Already lost is overnight maternity and children's care, while Central Manchester Hospitals now provide the consultant staff for its Accident & Emergency unit. The trust plans to reduce emergency hospital admissions by 40 percent, outpatient appointments in hospitals by 35 percent and follow-up hospital appointments by 25 percent.

Much of the debt NHS Trusts hold is due to the hospital building projects initiated by the previous Labour government under the Private Finance Initiative (PFI)—which was its flagship policy for privatising public services. Under PFI an NHS hospital trust pays an annual fee in return for a new hospital that is designed, built, financed and operated by the private sector. All "non-core" services are carried out by private corporations, with only clinical services remaining with the NHS.

As of last year 103 new building PFI projects had gone ahead nationally, with a construction cost of £11.3 billion. But once the associated contracts for estate maintenance, cleaning, portering, catering and laundry are taken into

account, the total debt of trusts to the private sector is a massive £65 billion.

The policy of loading huge amounts of unaffordable debt onto public hospitals is nowhere more evident than in the PFI scheme that financed the Central Manchester Hospitals complex here in Ardwick. The final cost of the entire Central Manchester Hospitals project, including £73 million of enabling schemes, funded by the NHS, was £500 million. The complex was financed and built by the Catalyst consortium. The completed project is now managed by a French-owned conglomerate, Sodexo.

The amount to be paid back by the health trust is far higher and ensures public money will be funnelled into the private sector for decades to come. In July 2003, the Central Manchester Community Health Council criticised the then proposed Central Manchester Hospitals PFI as “unaffordable”, with the total amount to be paid back over the 38 years of the contract with the PFI consortium “far in excess” of the original costs: “Index-linked annual payments to the consortium for the use of the building and for support services will begin at £47.47 million per year, and rise by a minimum of 2.5 percent each year. This means that the minimum cash payment over the 38-year period would be almost £3,000,000,000. This makes it a very expensive way of obtaining a new £495,000,000 hospital”.

Describing this swindling operation in further detail, they found, “By year 10 the annual payments to be made by the Trust would have inflated to £58 million a year, by year 20 to £74 million, by year 30 they would be £95 million and from at least year 33 the Trust would be paying over £100 million per year—£2 million per week—for the hospital and support services.”

A report by the *Daily Telegraph* this week revealed that taxpayers “are committed to pay £229 billion for new hospitals, schools and other projects with a capital value of just £56 billion”.

Several of these contracts were signed in the late 1990s and are due to run for 60 years. The *Telegraph* reported “an almost unknown City company, Innisfree, with only 14 staff, is the largest single player in the PFI market, owning or co-owning 269 PFI schools and 28 hospitals.”

Innisfree’s profit margin was 53 percent last year. “David Metter, the founder and chief executive of Innisfree, owns almost three-quarters of the company and collected pay and dividends of £8.6 million last year,” it found.

Cuts are already being made to the frontline medical services of Central Manchester Hospitals. The IVF fertility treatment unit at St Mary’s Hospital, Manchester’s flagship maternity unit, is to cut the number of treatments it provides for couples by one quarter in the next 12 months. This month St. Mary’s made headlines when premature triplets

had to be taken 20 miles to Wigan hours after being born. St. Mary’s said it was forced to do this as all the incubator services in the area, including at Salford Royal, were full. This situation will be made worse by the upcoming closure of a number of local maternity wards. NHS North West has already approved the closure of units in nearby Rochdale, Bury and Salford Royal. A maternity unit in Trafford has already closed.

Further cutbacks being considered in Greater Manchester include the closing, merging or relocating of 17 out of 35 of the region’s ambulance stations.

None of these cuts will be fought by the trade unions. Earlier this month the membership of the Royal College of Nurses trade union voted by a 98.76 percent majority to reject Secretary of State for Health Andrew Lansley’s privatisation programme. Flouting this mandate, the Royal College of Nurses (RCN) head Dr. Peter Carter penned an article in the *Sun* tabloid in which he said of the government’s plans, “They do have some sound concepts that the Royal College of Nursing supports.”

“We want to keep working with Health Secretary Andrew Lansley and the government,” he added.

Working people can only defend the right to decent health care and social provision on the basis of determined struggle. I call on workers and young people to adopt the programme of my party, the Socialist Equality Party. Our election manifesto states, “The Socialist Equality Party opposes all cuts in jobs, wages, public spending and welfare. We defend working people against the attacks of big business and its parties—Conservative, Liberal Democrat and Labour.”

We say such a struggle, “calls for the formation of rank-and-file committees, independent of the trade union apparatus, in every workplace and community. They must be at the centre of an independent movement of the working class to bring down the coalition government and replace it with a workers’ government committed to socialist policies.”



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**