

Despite “listening exercise”, Britain’s National Health Service still faces privatisation

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The Conservative/Liberal-Democrat coalition last week announced to great fanfare that it would make changes to its controversial Health and Social Care Bill. Prime Minister David Cameron said the decision was proof that the government was listening to public concern.

None of the amendments announced so far, however, alter the main thrust of the bill, which aims at the de facto privatisation of the National Health Service.

The Health and Social Care Bill was the centrepiece of the government’s so-called public sector reform. It set out the transfer of responsibility for 80 percent of the £100 billion NHS budget over to general practitioner (GP)-led consortia. These in turn would be able to commission patient treatment from “any willing provider”.

The scrapping of all Primary Care Trusts and Strategic Health Authorities, which currently commission health care, along with the transformation of public hospitals into NHS Foundation Trusts, free from direct oversight by the Department of Health, was similarly geared to enabling the private sector to “cherry-pick” the most lucrative health treatments, while placing the remainder on dwindling rations.

This was to be reinforced by a new NHS commissioning board empowered to close underperforming consortia, bring in private providers and give financial incentives to GPs and their management teams.

The measures were deeply unpopular. But the government’s hope that it would still be able to push them through was undermined by opposition from sections of health professionals, managers and organisations—concerned that they would be sidelined in the potentially lucrative carve-up.

In April, the government announced it was placing the bill on hold, with the aim of bringing such parties on board.

The NHS Future Forum was set up with this objective in mind, bringing together representatives of various health professionals and patients groups. Its “listening exercise”,

headed by Professor Steve Field, former chairman at the Royal College of GPs, claims to have met some 6,700 people and received more than 29,000 items of correspondence.

The forum reported back last week. Delivering its recommendations, Field made clear the body supported the bill’s main elements. “There is no doubt that the NHS needs to change”, he said. “The principles underlying the bill—devolving control to clinicians, giving patients real choices and control, and focusing on outcomes—are well supported”.

It was necessary, however, to listen to “genuine and deep-seated concerns... if the reforms are to be progressed”, the forum warned.

“If the substantial changes we propose are accepted by Government, then I think the resulting framework will place the NHS in a strong position to meet this objective and tackle the pressing challenges in the years ahead”.

The forum proposed amending the bill’s stipulation that the role of the NHS regulator, Monitor, should be to promote competition. This should be “significantly diluted” to stress Monitor’s role in supporting “choice, collaboration and integration”.

“The government should not seek to increase the role of the private sector as an end in itself”, the forum said. Nonetheless, it is “important to promote a diversity of providers”.

Amongst its other main recommendations were for the health secretary to remain ultimately accountable for the NHS, to loosen the 2013 deadline for GP-consortia to take over commissioning and to broaden the involvement of other professionals in them.

Almost immediately the government said it would take on many of the forum’s recommendations, and that the Health and Social Care Bill would be sent back to committee stage in the House of Commons.

Conservative Health Secretary Andrew Lansley announced

that the bill would be amended so as to involve hospital doctors and nurses in clinical commissioning groups.

“We will remove [Monitor’s] duty to ‘promote’ competition as though that were an end in itself. Instead, it will be under a duty to support services integrated around the needs of patients and the continuous improvement of quality.... Competition will be a means by which NHS commissioners are able to improve the quality of services for patients”, he said.

The plan to allow “any qualified provider” to deliver NHS services will be “phased carefully”, he continued, and the 2013 timetable relaxed. It will not be abandoned though. Lansley said that Primary Care Trusts and Strategic Health Authorities will “cease to exist in April 2013”. By that time, “all GP practices will be members of either a fully or partly authorised clinical commissioning group or one in shadow form”.

While the bill will state that the health secretary has a duty to promote a “comprehensive health service”, this will not be “for direct operational management” but for “overseeing and holding to account” the commissioning boards and regulators.

The various health professional bodies involved in the consultation claimed victory. Cameron paid tribute to the forum and said the reforms could now be implemented in a “spirit of unity”.

“The fundamentals of our plans...are as strong today as they have ever been”, he said. “But the detail of how we are going to make this all work has really changed. We have listened, we have learnt, and we are improving our plans for the NHS”.

Research by the Bureau of Investigative Journalism, published in the *Independent* newspaper, indicated the real thrust of government policy.

The research found that one in seven doctors appointed to the commissioning boards “could have a significant financial conflict of interest”, raising “the prospect that GPs could benefit directly from private companies working in the NHS”.

It highlighted the involvement of large numbers of GPs in Assura Medical, which is controlled by Richard Branson’s Virgin Group. Assura Medical has established 25 joint enterprises with GP groups nationally, which provide “community-based services in areas such as dermatology, sexual health and out-of-hours care”. The profits are divided equally between Assura Medical and GP practices.

“But there are broad crossovers between the Assura partnerships and the new commissioning boards”, it reported. “At the Sutton Consortium in Surrey, 19 out of 25 commissioning board members are listed at Companies House as having a financial interest in their local Assura

Medical partnership. In the South Reading Consortium, three out of five board members are GPs who have involvement in an Assura venture, and two are employees of an Assura member practice. At the Calleva Consortium in Basingstoke, Hampshire, six out of 11 voting members on the consortium board have links with Assura, as does the non-voting board secretary”.

Some 19 of the 52 pilot GP consortiums “have board members with interests in commercial providers—69 board members in total, including 47 with links to Assura”.

Labour leader Ed Miliband chose to attack the government purely on the basis that it was intent on “a bureaucratic reorganisation that’s going to waste billions of pounds”.

More important was the intervention by Labour MP Alan Milburn, former health secretary between 1999 and 2003. He condemned the government for backing-down under pressure.

“The temptation to elevate short-term politics above long-term policy proved too much for both David Cameron and Nick Clegg”, he wrote in the *Daily Telegraph*.

“The promise of the coalition was that it would go where New Labour feared to tread when it came to public service reform. In fact David Cameron’s retreat has taken his party to a far less reformist and more protectionist position than that adopted by Tony Blair and even that of his predecessor Gordon Brown”.

Milburn was responsible as health secretary for driving forward the Private Finance Initiative, which opened the NHS to the private sector. In his article, he complained that the government should have “quietly built on these advances”. Instead, Lansley’s ineptitude had produced a backlash that now threatened to “reverse hard-fought reforms” piloted by Labour.

It should be recalled that Milburn was embroiled in a scandal in 2005, when it was reported that he was involved in a £90 million deal for scanners between the NHS and the private health firm Alliance Medical. Milburn worked for Alliance Medical’s parent group, Bridgepoint, at the time the deal was signed.

It did not damage his political career. In 2007, he became an advisor to the food and drink giant Pepsico, which was involved in a business group behind the Department of Health’s anti-obesity campaign.



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