

Health and Social Care Bill prepares health care privatisation in UK

Julie Hyland
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Legislation enabling the largest ever reorganisation of the National Health Service (NHS) is imminent, after the government won a parliamentary vote on its Health and Social Care Bill by a majority of 54 votes.

For reorganisation, read dismantling.

The bill constitutes the gravest threat to the taxpayer-funded NHS since it was established in 1948 as the centrepiece of Britain's post-war welfare state.

Through a series of measures, including the abolition of Primary Care Trusts and the establishment of "clinical commissioning groups", the bill effectively ends free and comprehensive health care and hands huge swathes of the NHS over to the private sector.

Hospitals will be able to use fully 49 percent of their hospital beds and theatre time to generate private income. Commissioning groups will see doctors and other health care professionals take control of their budgets and be able to buy in services from other providers.

The move comes as the NHS is facing "efficiency savings" of £20 billion. It is being starved of funds and staff to prepare it for privatisation. Hundreds of nurses are being laid off, while the number of patients waiting lengthy periods for treatment has risen by 43 percent since the Conservative/Liberal coalition took office in May 2010.

Last week, the George Eliot hospital trust in Nuneaton announced it was in talks to outsource hospital services to corporations such as Serco, Care UK and Circle Health. The announcement comes three months after Circle won a £1 billion contract to run Hinchingbrooke Hospital in Cambridgeshire.

At the time, the government claimed the Hinchingbrooke deal—the first-ever outright privatisation of a hospital—was a "one-off". But under the bill, "any qualified provider" will be able to cherry-

pick the most profitable sections of the NHS.

Writing in the *Guardian*, Circle CEO Ali Parsa made clear that the NHS faces the same future as much of Britain's industry—being sold off for a song to big business. Referring to the situation facing the NHS he wrote, "We have been here before in Britain. When any sector has become unsustainable, we have brought down barriers to entry, stopped artificially pumping up the outdated, and allowed new entrants to come up with new solutions and flourish ahead of our global competitors. As a result, we have in our small country of 60 million people some of the world's most successful telecommunication, retail, financial, creative and professional services."

The government claims that the bill will enable greater patient choice and accountability.

This lie was exposed when the Department of Health had to issue a statement last week stipulating its "confidence" in Lord Carter, chairman of the NHS Co-operation and Competition Panel (CCP).

Under the bill, the CCP is to merge with regulatory body Monitor to police competition in the NHS. Carter just so happens to be the UK chairman of the American-owned health care conglomerate McKesson, which boasts that it already has contracts with more than 90 percent of NHS organisations.

Separately, the *Guardian* reported that consultancies such as KPMG and McKinsey are being paid up to £7 million to coach doctors in business skills in preparation for taking control of budgets.

Just how fundamental the bill's impact will be can be gauged by the government's continued refusal to publish its own assessment of its impact on services and patients.

Leaders of health organisations, including the British Medical Association and the Royal College of Nursing,

had called for the risk assessment to be made public. In November, the information commissioner ruled that there was a “very strong public interest in disclosure of the information, given the significant change to the structure of the health service” involved in the bill, and said it should be released.

An appeal by the Department of Health against that decision failed last week, but the government is still refusing to release the information.

The internal assessment is reported to be devastating. Earlier in the year, internal risk assessments drawn up by four English NHS regions showed that the reforms constituted a risk to patient care.

It is the hugely lucrative contracts to be won by the private sector that accounts for the government’s determination to press ahead in the face of significant public opposition.

An e-petition calling for the bill to be dropped easily surpassed the 100,000 signatures required to enable a parliamentary debate. A poll by the *British Medical Journal* found that more than 90 percent of respondents thought the bill should be scrapped.

In February, Labour leader Ed Miliband set himself up as the leader of this opposition. Writing in the *Observer*, he announced there was just three months left to save the NHS.

It was “time for people of all parties and of none, the professions, the patients and now peers in the House of Lords to work together to try to stop this bill,” he wrote.

Labour specifically built up the Liberal Democrats as a means of holding the government to order.

The Lib-Dems electoral base has collapsed since it entered the coalition. With a view to May’s elections, leader Nick Clegg told last weekend’s spring party conference that its amendments had changed the bill “out of all recognition.”

In the end, supporters of an emergency motion to “kill the bill” failed to gather enough backing for a debate. Instead a motion hailing Liberal Democrat involvement in the policy was approved, which stopped short only of mandating party peers to back the bill in the Lords.

Labour’s own criticisms of the bill are cynical. Miliband complains that it is not thought through sufficiently. In his *Observer* article he said it was “hindering the efficiency savings we must urgently

make... The NHS needs reform, but not David Cameron’s.”

Labour had already offered the government its support for the establishment of clinical commissioning bodies if it halted the legislation. Labour’s shadow health secretary Andy Burnham said this would be a means for uniting all parties, bringing “much-needed stability and would help the NHS save money on the costs of re-organisation.”

His plea was rejected. Even so the Conservatives know that Labour has no genuine interest in undermining NHS privatisation. It was Labour that made the first significant inroads into the NHS through the Private Finance Initiative, by which private firms received public funds to build and maintain hospitals and schools, amongst other facilities, on extraordinarily generous contracts.

In February, the Department of Health agreed to make £1.5 billion in grants available to seven hospital trusts in England unable to meet their crippling PFI repayments. While billed as a means of preventing these trusts from going bankrupt, they represent a further subvention to private contractors.



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