

Coronavirus, the NHS and the charity shakedown

Julie Hyland**6 May 2020**

A feature of the coronavirus pandemic in the UK has been the involvement of millions of people in fundraising drives for the National Health Service (NHS), even as its workforce suffers essential equipment shortages that have already cost a sizeable number their lives.

The outpouring of public support is encapsulated in the response to Colonel Tom Moore's pledge to walk 100 lengths of his garden before his 100th birthday on April 30 to raise money for those on the front-line against COVID-19.

His efforts and the solidarity he received point to the deeply held allegiance of workers and their families to the NHS. But this is a fidelity that is being cynically exploited by the very elite that has brought healthcare, and other vital social provision, to its knees.

Far from being a remedy to the health and social crisis exposed by the global pandemic, charity drives are the direct product of this crisis and further exacerbate it. The result is that decent, universal social provision is no longer a fundamental human right but is reliant on individual donations. Meanwhile, the financial oligarchy—whose plundering of social wealth is directly responsible for the collapse in essential services—pose as the saviours of the very provision they have destroyed.

Notwithstanding his selfless intentions, Moore's fundraiser has inadvertently exposed just how extensive this looting operation has been. Social care in the UK increasingly resembles that of the Victorian period when the lives and wellbeing of millions depended on philanthropy.

More than a decade of austerity, piloted by the 2007-10 Brown Labour government, has left health care severely diminished. This was entrenched by the Conservative/Liberal Democrat coalition's Health and Social Care Act 2012, which replaced the Secretary of State for Health's "duty to provide health care" with a "duty to arrange," and created Clinical Commissioning

Groups, able to purchase care from any "qualified provider."

Even five years ago, the government was forced to acknowledge that the NHS was underfunded by nearly £30 billion a year. Its solution was to schedule £22 billion in "efficiency savings", mainly through privatisation, rationing and attacks on health sector workers.

This is the context in which the government buried the results of the 2016 "Exercise Cygnus"—a training exercise to determine readiness for a novel respiratory influenza pandemic—that revealed the NHS to be an "overwhelmed service with reduced staff availability."

Underfunding was bound up with ensuring vast swathes of public funds were transferred to the corporate and (just as corporate) social enterprise sector.

An estimated one-third of NHS spending goes to private or social enterprises. These are responsible for anything from commissioning primary care—such as GP surgeries, pharmacies and opticians—to social care for the elderly. Private sector companies are paid by the NHS to build hospitals, to provide IT services, and for child-protection and mental health provision. Almost one-half of patient referrals to private hospitals—due to the lack of facilities or staff—are paid for by the NHS.

Meanwhile, NHS trusts have created wholly-owned subsidiary companies—which avoid taxes—to transfer staff off NHS books, with the attendant loss of terms, pay and conditions.

Almost every hospital in the country has at least one charity attached to it, on which it relies for funding. Such charities are responsible for £1 million in funds given to the NHS daily. So integral is this set-up that, in 2015, Labour's then health spokesman Andy Burnham pledged that charities would be the "preferred providers" of NHS services if Labour won that year's election. It didn't.

The funds raised by Moore went to NHS Charities Together, an umbrella organisation for some 150

organisations that disseminate funds to the NHS, under licence from the Health Secretary. Formerly The Association of NHS Charities, the organisation “provides a forum for nationwide fundraising and advocacy campaigns; specialist advice and guidance; bespoke conferences and training opportunities...” according to its website.

The money is to be used on purchasing “wellbeing packs”—such as porridge, tea or hand cream—for NHS staff to “boost morale”, creating relaxation areas for traumatised care staff, and providing electronic tablets so that patients can stay in contact with friends and family. The charity says that funds have been ring-fenced for after the crisis to support the mental health and recovery of NHS employees and volunteers, and for additional care and hospice services in the community to help reduce “pressure on inpatient beds”.

Although charities are not meant to replace the funding of essential provision, NHS Charities Together boasts that it has helped fund “major capital projects, pioneering research and medical equipment at our hospitals.”

The consequences of the hollowing out of social provision are shown most appallingly by the situation in elderly care homes, which account for more than 30 percent of all deaths from COVID-19 and rising. These are almost entirely privately-owned, providing huge profits to their owners, such as Care UK and Richard Branson’s Virgin Care.

Grotesquely, such providers have their own charity umbrella, Care England, which in turn promotes The Care Workers Charity. One of its initiatives is dispensing “hardship grants” to a small number of the estimated two million care workers in the UK—grants that are necessary because low-pay, zero-hour contracts and poor conditions are rife across the sector.

In 2017, the UK care home sector was worth an estimated £16 billion a year, yet many staff have been denied tests for COVID-19 and vital personal protective equipment. Should they fall ill, they are only entitled to Statutory Sick Pay of £95.85 per week.

The reliance on charities threatens healthcare in another way. Macmillan Cancer Support is one of the largest charities in Britain, providing support to cancer sufferers, including end-of-life care. Along with a number of other cancer charities, it is in danger of going bust due to the pandemic, as social distancing rules impact on its fundraising.

Sitting atop all this is the grotesque spectacle of the billionaire donors, such as the Duke of Westminster, the

UK’s second wealthiest individual, whose £12.5 million donation to NHS Charities Together represents 0.1 percent of his estimated £10 billion fortune.

Another example is the Mail Force Charity, established by the *Daily Mail* and General Trust, that is buying PPE for hospital staff. The newspaper group—which includes *Metro* and *Mail Online* and whose staff have been asked to take pay-cuts of up to 26 percent—is owned by the tax exile and billionaire aristocrat Viscount Rothermere.

The Mail Force charity is a partnership with the hedge fund Marshall Wace and the US software giant, Salesforce. Marshall Wace manages some £40 billion of assets while Salesforce has annual revenues of more than £13 billion.

Even as Marshall Wace was involved in “emergency airlifts” for PPE, and leading a group of upmarket food chains in providing meals to hospitals, *Financial News* reported that it has “has been piling into short bets against UK stocks, making massive returns as the spread of Covid-19 jolts global markets”.

While the oligarchs extol the benefits of charity, the real philanthropy takes place behind the backs of the masses, through the government’s massive transfer of wealth from working people to the super-rich.

Last month, the Johnson government extended its bailout scheme to include all “viable” companies, handing a multi-billion-pound bonanza to corporate shareholders and the multi-billionaires.

Like the US Fed, the Bank of England has become the lender/dealer of last resort directly to the corporate sector, with an unlimited commercial paper financing facility that includes increasing its asset purchase scheme by £200 billion. According to Paul Dales of Capital Economics, the central bank has bought £70 billion of assets since the programme was announced on March 19—double the rate of purchases seen during the 2008/09 financial crisis.



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