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Protecting Public Services
Supporting Public Servants

FALSE PROMISE & REAL THREAT

TYC & PRIVATISATION

August 2014

PREFACE

Dear Friend

NIPSA was delighted to accept the invitation to attend the NI Pensioners' Parliament in May 2014 and to participate in the "Perspective on Reform of Health and Social Care in NI" debate. We did so to re-enforce the point that there is such a thing as society and that it is held together by universally provided, accessible and high quality public services funded from progressive taxation. This principle, of what in effect constitutes a civilised society, faces constant attempts to undermine it not least from those who are attacking our National Health Service in order that it is broken up and re-shaped for their corporate, profiteering benefit.

This is the text of the presentation I made at the Parliament based on my research on Transforming Your Care (TYC)[1]. It puts the false promise of TYC into national and international context and argues that only the broadest possible campaign against the privatisation of the NHS can save this "jewel in the crown" of the welfare state.

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Introduction

In March of this year NIPSA published a booklet for our members on Transforming Your Care (TYC). When writing it, one of the problems I had was keeping it as up to date as possible as there always seemed to be a stream of significant 'breaking' news stories in relation to health. While it's not unusual to be subject to near deadline and post deadline events on any piece of work, the regularity of these suggested something different was happening. For example, in a short space of time we had: the weekend A and E closures in Lagan Valley and in Downpatrick, the "emergency incident" at the Royal and then Simon Hamilton announcing an extra £100m for the local NHS, the stated purpose of which was to ease "winter pressures"[2] but suggested general, rather than seasonal, strain on the system.

In addition, after we had gone to print there was the BBC's Spotlight programme[3] highlighting specific cases where waiting times had been a contributory factor in patient deaths and exploring the secrecy with which this was dealt. Interestingly, not long after this story broke we stopped hearing about "major incidents" and started hearing the phrase "escalation plans". These referred to the plans "triggered" to deal with the volume of patients seeking treatment.

While, of course, this reflects how health is a fast moving sector, the frequency of reported crises also reflects something more profound. It highlights how what is happening throughout the system daily is symptomatic of wider and deeper problems. For example, what does it suggest of the ability of our core services to cope if we could have 3 escalation plans in the first nine weeks of 2014 alone?

Dismantling the NHS

If there had been a period of relative claim - and people who work in the health sector know that wouldn't have been because things were working it would have been because the media had temporarily lost interest - anything we had said about TYC would have been patronised by us being told that we were missing the bigger picture, the grand vision that shows how these changes can be progressive. By contrast, campaigners (including the unions) who challenge current policy sometimes get accused of "defending buildings" as if we were opposed to the idea that care could be provided outside a hospital setting, particularly at home. Of course, this is nonsense.

We've no problem having a genuine debate about these matters, about a truly holistic approach - about polyclinics, wider networks of support, care pathways etc. But we know that such talk is completely hollow without the investment to offer genuine safety nets at all levels. We're not defending buildings – we're defending, properly staffed/accessible healthcare. We're saying what should be obvious and what exposes the hidden agenda – you don't dismantle something unless you have a better, equivalent replacement ready and waiting and you certainly don't do it until you fix the existing problems. That's why these crises are recurring - the chickens are coming home to roost.

Everyone knew what was going to happen when A & Es such as those at the City Hospital, Whiteabbey and Magherafelt closed, without Belfast and other centres having the expanded capacity guaranteed or without the existing problems of staffing and funding fixed. In this context, without such provision and problem

solving taking place **first**, all the grand talk of TYC is the equivalent of someone showing you a brochure for a dream kitchen while your house is burning down.

Where's the TYC money?

So despite all the promises about core funding to transform our care (an £83 million shift of funding from current hospital spend to primary, community and social care services) and £70 million transition funding, these promises have not been delivered. This fact alone – that the total funding that was to deliver this change wasn't guaranteed - is a political scandal. It raises **the** question - if TYC's backers were arguing this amount of money would deliver an appropriate service, what do they think is now being delivered with less funding? Little wonder what we see daily throughout the system are unsustainable pressures and a system stretched beyond breaking point. That's why instead of the new care arrangements for older people, new systems in A and E and so on being adverts for Transforming Your Care, they are an indictment of its false promise.

I mentioned earlier Simon Hamilton has to throw £100 million at the problem. Welcome as additional money is, this itself is a sign of major strategic failure. Furthermore, to put this figure in context, despite the spin about meeting winter pressures, this is £100 million extra to deal with the problems of the Northern Ireland Health Service for a whole year when last year they found £80m to host the G8 for 48 hours.

I watched it at the time and read in the context of this work, the exchange when a former Chair of the Health Committee asked the Health Minister "Do you have a strategy for reselling [TYC]?...

selling the TYC product so that when people hear TYC, they do not panic"[4]. To some extent, our job is the opposite of what was being suggested – not to panic people – but to expose what TYC actually means - to say to people they should be wary of TYC because without funding and staff and facilities its rhetoric is hollow and in its new delivery mechanisms it has two consequences – to first dismantle and then privatise the NHS.

In the market-led world of TYC there's nothing progressive about regarding those in hospital as bed blockers and getting them sent home before guaranteeing what they are sent home to is appropriate or in place. There's nothing progressive about a domiciliary care visit of 15 minutes (that the Trusts want reduced to 8 minutes). That is, someone washed, dressed and fed in 15 minutes and we've all heard the stories of people being washed while they are on the toilet, of hurrying their food because they know the 15 minutes also includes the dishes being done and they don't want to delay the carer who they know has no travel time taken into their fifteen minute appointment.

Tax justice to fund real "social security"

This is where we've come to in 2014. David Cameron was boasting to the Scots a few weeks ago in the context of the independence debate about them currently being able to tap into the resources of the seventh largest economy in the world. He's right about this basic economic fact but it shows how badly the wealth from this 7th richest economy is distributed that it can't guarantee dignity within the healthcare system or a visit to a vulnerable person lasting more than 15 minutes.

To those who say "where's the money?" for our vision of healthcare, we argue for an end to our subsidising of the health needs of the private sector (PFI debt, underwriting private sector activity in our hospitals) and we also campaign for tax justice highlighting how we currently see over "120 billion annually lost though tax evasion, avoidance or non-collection"[5].

We also expose the nonsense of us all being "in this together". We only need to look at the grotesque details from the Sunday Times' rich list published a few weeks ago to see this. This list showed Britain as having "more billionaires per capita than any other country"[6] and where a thousand of its richest people now possess £519 billion. This figure, which has grown by £69bn in the last year alone, is the equivalent of a third of the UK's gross domestic product, and is double what this elite group possessed at the time of the 2009 crash. Such wealth is only delivered by an economic model where the needs of the City of London are indulged and allowed to operate with no responsibility to the rest of society – driven by people who don't believe there is such a thing as society.

A corporate takeover

By contrast – as part of our wider work defending public services – we insist that health issues are not addressed in isolation. I was reminded of the fact when I was working on this research that Aneurin Bevan, the Minister in the 1945 Government that established the NHS, was Minister for Health *and* Housing. This reflected the task of re-building a society from the rubble of the Second World, a task undertaken with a deficit three times what it is today. So that wider objective was about planning to re-build a society not unpick it.

He and the visionaries in a mass movement who fought for a health service didn't envisage it as the sole way of creating a healthy society. Quite the reverse. They knew you create a healthy society in the truest sense by establishing a social framework – a social security – from the cradle to the grave - within which a healthcare system plays a large part, but only one part. If Health issues are addressed in isolation we are asking this sector to do the impossible – to mop up all society's wider failures.

In contrast to these visionaries, the current attack on health is a clear attack from those who profit from social insecurity. It is also why we have to see the changes that are happening locally in a wider context, in the context of a global healthcare world (worth $5 trillion) where universal provision is under attack. If you want examples of corporate takeover you only have to look at some of the figures they are allowing near the NHS. Jeremy Hunt the English Health Secretary has just asked Stuart Rose, the former boss of Marks and Spencer's, to advise him on "turning round failing hospitals"[7]. So presumably we get not just any hospital closure but "a Marks and Spencer's" closure"!

Profits before ethics

The market mindset sees healthcare not as a social service but a cash cow. Questions of ethics are not the priority. An article in the News Letter recently[8] from a Director of a company that specialises in "wealth management" investment summed up this attitude. The author highlights the profiteering advantages if "private equity groups and consultancies" become involved in the NHS delivery in Northern Ireland – and then casually states that while privatisation (the "outsourcing to private sector

companies") would present "complex ethical issues" it would generate "significant interest" from investors.

These UK wide changes are only continuing what New Labour accelerated. For example the new Chief Executive Head of the NHS in England Simon Stevens – is a former adviser to Blair and his Health Secretary Alan Milburn. Milburn, himself has worked as an adviser to private equity firm Bridgepoint Capital - a company benefiting from the very market reforms that he and Blair introduced to the NHS.

Attacking a popular institution

If you have a philosophy that says there is no such thing as society and you believe that everything should be broken up and traded for shareholder profit, what could be a bigger heresy than a service available to all who need it, free at the point of use, funded from progressive taxation? But undermining the NHS represents the ultimate challenge for the capitalists and neo-liberals in that in health, unlike in other areas of public policy, they have a major problem. That is, while public sector workers are easy meat in the media generally, the attack on the public sector is harder in this field because as a rule these are a group of workers working in an institution (the NHS) that people have affection for and very direct experience of. So the attack has to be more subtle than the usual clichés used to attack "tea drinking public servants", pampered pensioners with their "gold plated pensions" and so on.

So how do they attack? The way they seek to take advantage on this issue is to talk of demographic changes that will endanger us if we don't act – spiraling cost, an ageing population and so on. But in health they argue that their action is not about threatening

the principles of the NHS as a whole it is merely about changing how it delivers its service. So to "save the NHS", they argue we need new means of delivery. But even this is still so sensitive that they rebrand the sector that will perform such delivery as "independent" rather than what it really is – the private sector.

Daylight robbery of workers and citizens

But the significance of privatisation in general (and we use the phrase daylight robbery[9] for good reason) is that privatisation creates a new world of work, sometimes in ways that are hard to see at first. In the same way that no Minister would be honest enough to declare their intention to privatise the NHS, the new working environment privatisation shapes, is similarly hidden.

For example, no one would stand up and say we want a healthcare system where the workers have no rights; indeed they would talk about statutory protection, irrespective of the ownership models that are being introduced. Statutory instruments, however, are worthless in the real world if the economic facts of life make them impossible to access.

Similarly, of course in the domiciliary care sector the workers (primarily women) can theoretically look to the law on such matters as maternity or other rights, but as you know rights accrue and you have to be somewhere with an unbroken contract **for** them to accrue. That's why the corporations get their governments to change the length of time you need to be in employment before you can avail of protection. They also get them to raise the cost of access to that justice in terms of the size of deposits for employment tribunals and so on. Therefore if you have a sector built on non-unionised, zero hours contracts with an individual's

position on such a contract so precarious they can't insist on such rights – those rights have in fact been removed. **So the daylight robbery of privatisation is not only the sector as a whole being stolen from us, it's also the theft of the workers' rights within that sector.**

Shifting ownership, removing choice

The idea of the 'boiled frog' is relevant here. It's said if you put a frog in boiling water it would jump out. But if you put it in cold water and heat it slowly it would stay in the water until it boiled to death. This is what the stealth privatisation of the NHS is about. The tone is set by people slowly getting used to lesser quality/differently provided healthcare until the core principles of the NHS are lost and the default is no longer a publicly funded, accountable, properly staffed environment. The effect is to tilt the balance dramatically in favour of the private sector. The tilt is shocking. Domiciliary care provides the perfect example of this with the majority of trusts now delivering it via the private sector. Again this shows that, far from the noises that might have been made 5 or ten years ago about a mixed economy of provision the policy direction in certain sectors, as we warned, is heading one way - to full privatisation. Where was the debate that allowed this to happen? Why is it when the drivers of TYC talk the language of "choice" the choice they are determined to remove, where they can, is the one where the public sector continues to provide the service? The fact that the statutory residential care homes have to justify their continued existence and new admissions to them are not guaranteed - proves this to be the case.

The road to privatisation

As I've said such changes are part of a global change and the relevance of the corporate players to us is that they are also writing our health policy. One of the biggest players is McKinsey. At the moment it seems if you're not a product of some corporate finishing school such as Goldman Sachs[10] (like the Governor of the Bank of England Mark Carney) you have a link to one of the big 4 accountants (Ernst & Young, Deloitte, PwC, KPMG) or McKinsey.

It was McKinsey who wrote a Comprehensive Spending Review report for the Health Minister in 2010 which was about closures and cuts and people paying for their treatment. Parts of it were graphic and outrageous of course. For example, it discussed should anyone under 80 be given a free hip replacement and asked whether certain treatments for someone over 80 were worth it at all. In other words, would it not be better to let the under 80s pay? Or to let the over 80s get treatment, but have to wait for it? It was disgusting but at least it was clear. Obviously this would be unsellable so you need to give it a full public relations makeover – a sugar coating to cloak McKinsey in a grand vision. This is TYC.

So the job for all of us to is to highlight and challenge the reality of TYC. To show that privatisation is the direction of travel for this policy. We detail the money paid to the private sector by the Belfast Trust (£130 million in the last 3 years) and highlight the clear admission from all the Trusts that they use the private sector to meet ministerial waiting targets. We expose the contradiction this produces - consultants cancelling appointments in the NHS, this lengthening the waiting lists and thus giving more business to the private sector in which the same consultants who do private

work make themselves available. The worse the situation in the NHS gets, the more the companies that thrive on the NHS not meeting waiting list targets profit. So health policy surrenders supply to those who profit from limiting supply. What part of conflict of interest does the Health Minister not get?

Is it any wonder a surgeon is 6 times more likely to cancel an appointment if they are working for us directly, rather than doing this work for the NHS in a private capacity? In no other public sector context would someone's core work be delayed by them working somewhere else privately doing the same work. They work for the NHS, they should be doing NHS work. We support the need for us all to pay our share in a progressive taxation system that provides their medical training, wages, facilities, and the hospitals they work in. We do so, however, in order that they work for us – not when they feel like it and not for private profit.

Failure of scrutiny

While what I've just been discussing relates to strategic failure, it is clear within the political domain there has been a monumental failure of scrutiny to allow this privatisation by stealth to take place. Our research discusses how there is no specific legislative framework for TYC. The policy was announced to the Assembly and off they went. By way of contrast look at how other huge public policy decisions are dealt with. As you know we are also having a similarly dramatic change in our Public Administration – most visibly in terms of how local government will operate and its powers expand. We were also supposedly moving towards the creation of an Education and Skills Authority. I'm not defending glacially slow progress, what I am contrasting is the number of bureaucratic and administrative hoops that such changes have

had to jump through before they are put in place. Indeed, in terms of the latter it appears such change will not be happening at all. By contrast in Health, with changes sometimes hailed as the greatest shake-up in our health system in a generation, we are force-fed cuts and privatisation followed by the Health Committee staring at the stable door after the horse has bolted.

Would I be wrong to estimate that our politicians have spent more time working out the payoff to councillors leaving local government than the number of beds that are being stripped out of the hospitals? Do we only properly analyse health reform when removal vans are pulling up outside residential care homes? Do we only analyse the consequences of cuts disguised as "reform" when strategic failure has killed people? Even amidst crisis, when was the last time it was mooted that there would be an emergency recall of the Assembly to discuss such failure?

We make the point that the bad news stories on health woke the Assembly from its slumber on these issues and even led to them passing an anti-privatisation motion in the Assembly. But this has to have meaning – to be more than a one day wonder. This is where the Pensioners' Parliament can join us in pressurising those politicians who say they are anti-NHS privatisation in such a motion to prove it. We shouldn't let them away with what a few of them tried a few years ago – voting through cuts and closure in the Executive one day and then trying to join a picket line or a protest about the effects of this decision in their local area the next day.

Regaining control of our Health Service

It is clear that the absence of any democratic participation in the planning and decision making processes within health and social care is contributing significantly to its problems. This is why events like today's and pressure we all can exert to defend the NHS is vital.

We need to insist on the democratic control of our health service, to take it away from the technocrats, accountants and government appointees out of touch with the health needs of ordinary citizens. We need to introduce a system of governance for health and social care organisations that ensures the boards of these organisations are truly representative of citizens, staff and their Unions. A properly democratic health system would also ensure that no change in our healthcare took place without a full Equality Impact Assessment of its consequences.

We need to focus the debate on the founding principles of the NHS – that our healthcare needs can only be met in a progressive, universal system of shared risk and collective benefit. By contrast, the visionary rhetoric of TYC is worthless if you don't have the funding and you don't have the staff.

Doctors take the Hippocratic Oath – the first part of which is "do no harm" – the Health Minister, Officials and politicians should take the same oath in relation to the NHS. If they won't protect it we have to build the broadest possible campaign to do so. We also need to demand a democratic transformation of how the NHS in Northern Ireland is governed in terms of planning and decision making. We must start by challenging the false promise of transforming your care and boiling the message down to the simplest fact - the only way to save the NHS is to fight its privatisation.

Endnotes

1. [On Line] Available: ***http://www.nipsa.org.uk/NIPSA-in-Action/Policy-and-Research/Transforming-Your-Care***

2. [On line] available: ***http://www.bbc.co.uk/news/uk-northern-ireland-25827283*** 21 January 2014.

3. ***http://www.bbc.co.uk/news/uk-northern-ireland-26135756*** 11 February 2014.

4. [On Line] Available: ***http://www.niassembly.gov.uk/Assembly-Business/Official-Report/Committee-Minutes-of-Evidence/Session-2012-2013/July-2013/Transforming-Your-Care-Ministerial-Briefing/*** 3 July 2013.

5. Murphy, R (2010) 'Tax Justice and Jobs: The business case for investing in staff at HM Revenue and Customs' [On line] Available: ***http://www.taxresearch.org.uk/Blog/2010/03/11/tax-justice-and-jobs-the-business-case-for-investing-in-staff-at-hm-revenue-customs/*** 11 March 2010.

6. [On Line] Available: ***http://www.theguardian.com/business/2014/may/11/britain-worlds-most-billionaires-per-capita*** 11 May 2014.

7. [On Line] Available: ***https://www.gov.uk/government/news/sir-stuart-rose-to-advise-on-nhs-leadership*** 14 February 2014.

8. Belfast News Letter "Privatisation would cause complex ethical issues but generate significant interest". 4 March 2014.

9. See "The Daylight Robbery of Privatisation: Private Profit from Public Loss", April 2013 [On Line] Available: ***http://www.nipsa.org.uk/NIPSA-in-Action/Policy-and-Research/The-Daylight-Robbery-of-Privatisation-(1)***

10. The investment bank Goldman Sachs famously described as "a great vampire squid wrapped around the face of humanity, relentlessly jamming its blood funnel into anything that smells like money". See "The Great American Bubble Machine" by Matt Taibbi [On line] Available: ***http://www.rollingstone.com/politics/news/the-great-american-bubble-machine-20100405*** 9 July 2009.

AVAILABLE NOW

Read the NIPSA research on Transforming Your Care. Print versions of the full report and the short guide are available from NIPSA Headquarters.
Contact Lesley Anne Scott on
028 9066 1831 or email: **lesleyanne.scott@nipsa.org.uk**

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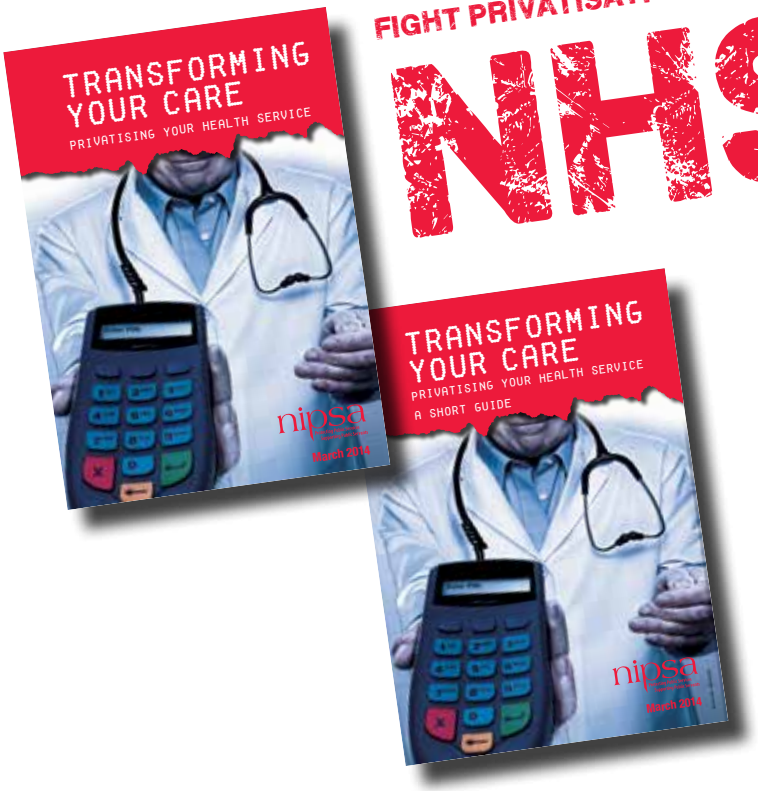

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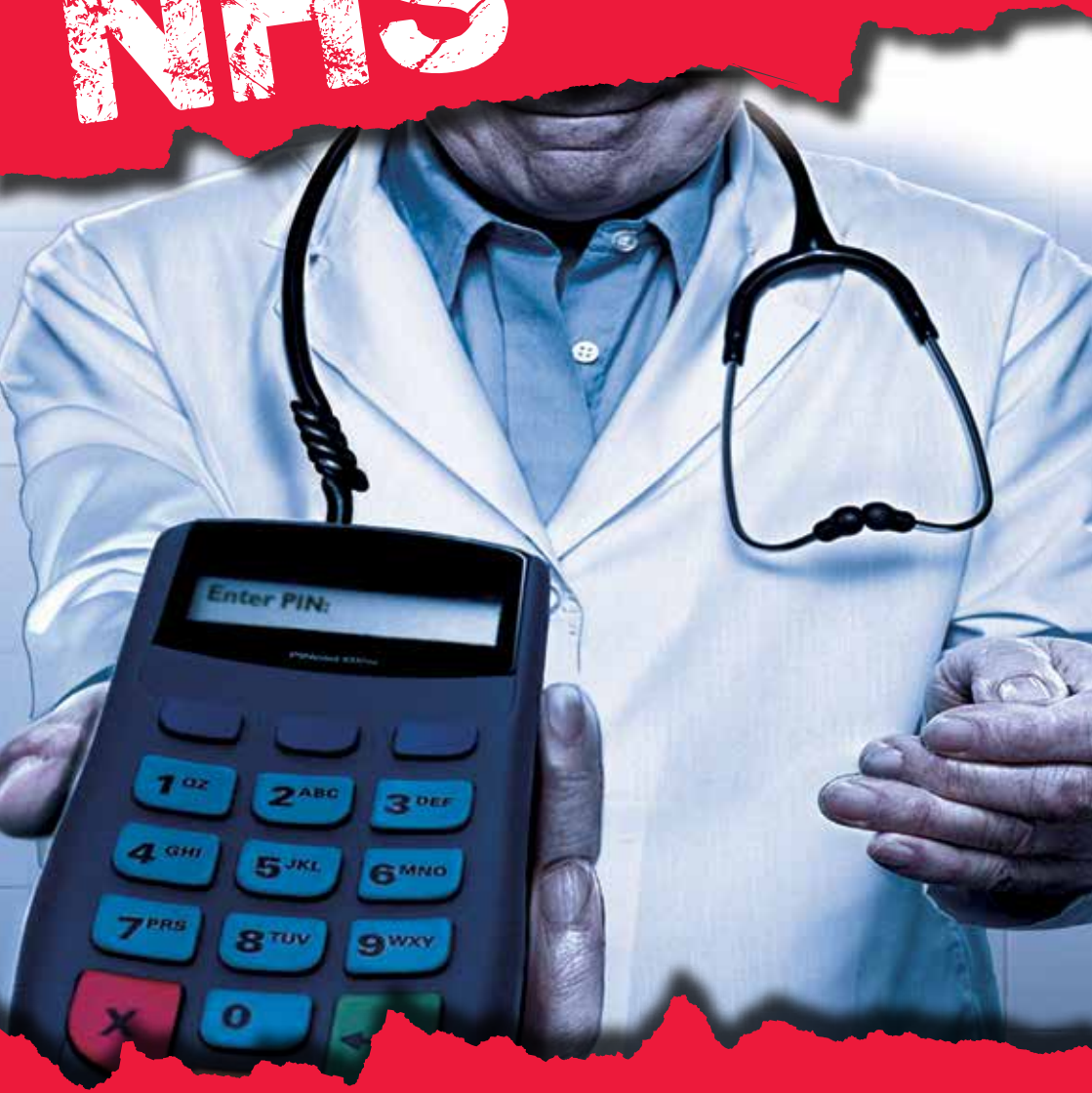

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