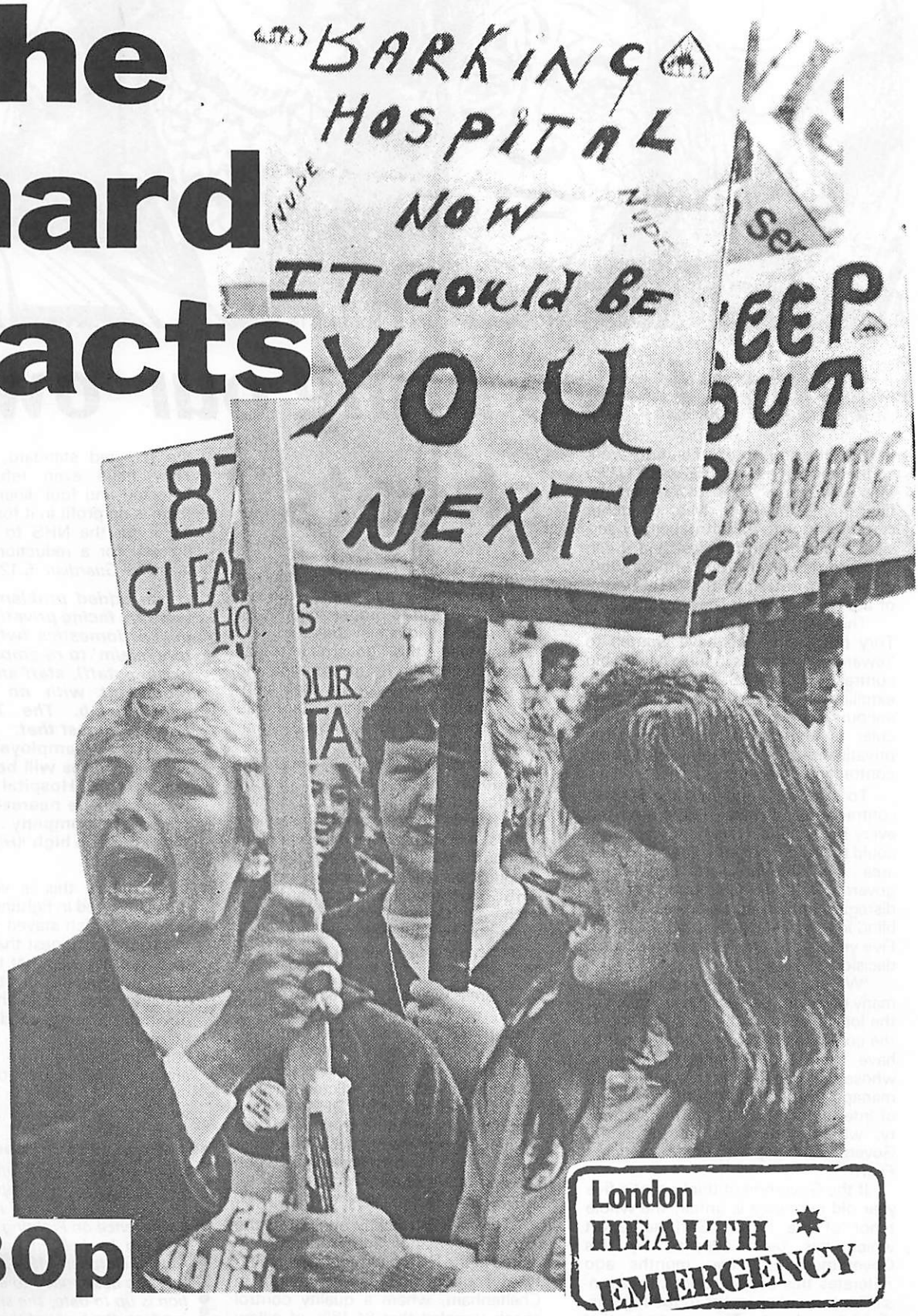
PRIVATISATION:

the hard facts



30p

London HEALTH EMERGENCY

335 Gray's Inn Road, London WC1 Tel: 01-833 3020

Must we bring our own sheets?

In 1982, the proportion of laundry work contracted out by the NHS was 11.7%. This was actually 3% *lower* than the figure in 1979 when Mrs. Thatcher came to power. As with ancillary services, Health Authorities had been 'running-down' the amount of work contracted out since the 'mini-boom' of the contractors in the early 1960s.

This has obviously angered senior Tory politicians who have wanted to 'reward' their friends in the city with big contracts in the NHS. Despite circulars extolling the virtues of private firms and encouragements to HAs (the latest circular is the fourth since 1980 on privatisation), the trend away from contracting continued.

To stop this, and to force HAs to contract-out, the government has used every backhanded trick and weapon it could to bring them into 'line'. No other area has shown more clearly the government's total and cynical disregard for local decision-making and blind ideological belief in privatisation. Five years ago, the Tories said of local decision-making:

'We are determined to see that as many decisions as possible are taken at the local level — in the hospital and in the community. We are determined to have more local Health Authorities, whose members will be encouraged to manage the service with the minimum of interference by any central authority, whether at region or in central Government departments'. (*Patients First*)

If the Government thinks that a five year old reference is unfair, the whole tenor of the recent Griffiths report which has been adopted by this Government just two months ago reiterates this devolvement of responsibility for management to the regions, districts and units. The report says that regions will need to ensure that districts, hospitals and units are 'liberated to get on and manage the service and be held to proper account for performance and achievement'.

However, this government has forced Calderdale, South Cumbria and Cornwall DHAs to give up their laundries to private firms. This, after it had been proved that the 'in-house' situation would be cheaper.

In the case of Cornwall, the DHSS and John Patten intervened directly and forced them to accept a named firm, Kneels, to take over the service. Kneels, who already have a contract in Falmouth Hospital got the contract despite the DHA's warning to the DHSS that 'the likelihood of a district such as Cornwall becoming very vulnerable to monopolistic exploitation is pretty obvious' (letter to DHSS, 14.3.83).

In areas where there are high capital costs, as in the case of laundries, monopolies are a very real threat to Health Authorities. As Direct Labour Organisation (D.L.O.) facilities are shut or sold off (often at ridiculously low prices), the hand of the DHA, as local authorities have found to their cost, is severely weakened, either if the work does not come up to scratch or when the contract is due for renewal.

Contractors, mostly unused to the vigorous demands and standards required in the NHS have again been guilty of contract failures — Sunlight in Cheltenham, where a quality control check revealed that 84.16% of pillow cases and 73% of sheets failed to meet the required standard, for example. They have even refused to take 'infected and foul' linen — obviously there is no profit in it for them — leaving it for the NHS to do, and have pressed for a reduction in standards (see *The Guardian*, 5.12.83).

An added problem for laundry workers facing privatisation is that, unlike domestics (where contractors 'claim' to re-employ 70-80% of exising staff), staff are often made redundant with no prospect of another job. The Tory Reform Group suggest that:

'very few employees of existing NHS laundries will be recruited by contractors. Hospital work is sent by van to the nearest plant of the successful company . . . Redundancies could be high' (*High Noon in the NHS*).

Obviously this is very useful for those involved in fighting privatisation. Dulwich, which staved off an attempt to privatise, suggest that the secret of their success was that they had 'done their homework' on the firms that tendered and forced the DHA to lay down the contract conditions extremely meticulously. This prevented the competing firms from tendering low and then finding loopholes later.

However, even at Dulwich there was a price to pay — ie loss of staff even with DLO.

Much of the material in this pamphlet has been especially prepared by Adrian Duthie as background material for the Conference on Fighting NHS Privatisation, to be held in London's County Hall on October 7 1984. While every effort has been made to ensure information is up to date, the situation is moving fast: the body of this pamphlet was completed on September 19.

Contractors cleaning up

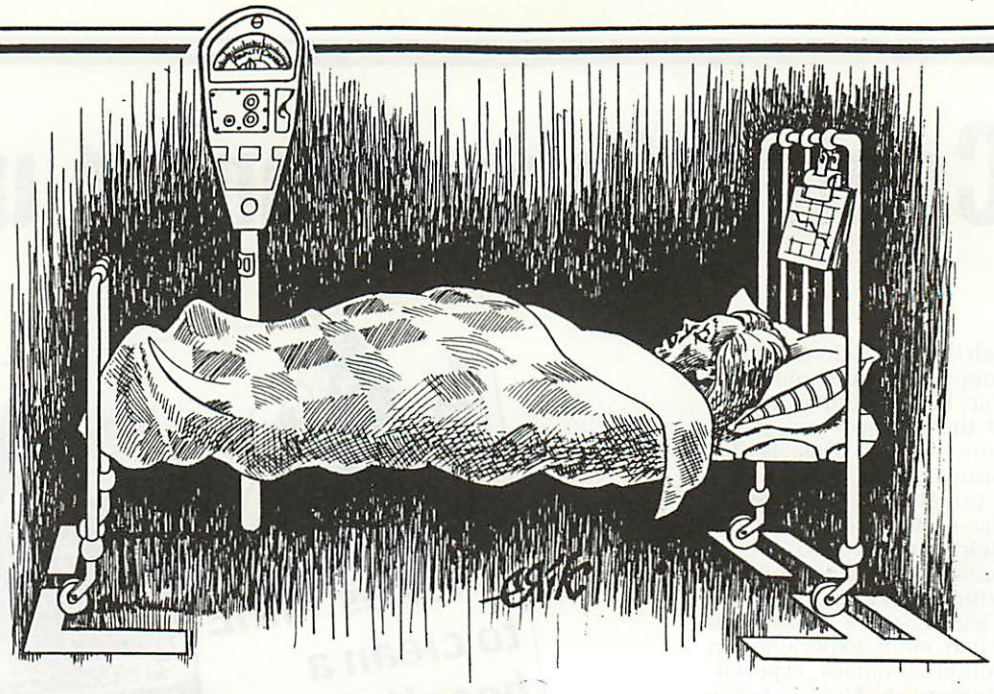
Although the DHSS circular mentions all support services and three in particular, hospital domestics are perhaps at the sharpest end of the privatisation threat. This is for several reasons.

Firstly, private firms involved in cleaning have distinct advantages over their counterparts or sister/subsidiary companies in laundry and catering services. They are generally bigger, more established and have had more experience in privatisation programmes, especially local government. Also, and very important, they have great experience and knowledge of actually dealing with and operating in the NHS. Although it must be stressed that private firms have only up to now fulfilled a minuscule role in ancillary services (cleaning contracts make up 2.1% whilst laundry and catering make up 11.7% and 0.2% respectively), several firms have a long history of contracting in the NHS. This is true of Crothalls and Initial, who, unlike many of their competitors, have specialised in this field for some time. The last 18 months has seen a frantic struggle among the big contractors to buy up smaller firms or create their own specialist 'Health Care' section to try and rake in some of the profits this government seems determined to give them.

Also, the Contract Cleaners and Maintenance Assn (CCMA) has been quick to set up its own health care services section (HCSS) and this trade association is more established than the others. Secondly, the cleaning contracts are more likely to go out because Health Authorities perhaps do not appreciate fully the arguments that they are an essential part of the 'health team'. They are perhaps slightly more prepared to wait before hiving off laundries, which involves high capital costs, or caterers who can cite more examples of specialism and more acceptable 'professional' arguments (to the 'medicine-orientated' administrators and H.A.s) about their necessity.

It is thus very important to be fully aware of the consequences of privatisation on cleaning services to show the differences between 'in-house' and the contractors. Every change, however small should be cited as an argument against — the effect doctors and nurses, management accountability, high turn-over of staff, poor cleaning standards, wages, conditions and morale of workforce; the list is almost endless.'

One 'advantage' of existing contractors is that there is ample evidence from within the NHS that the contractors are detrimental to the service, and not in the best interests of patient care. Contract failures are thus crucial to the fight against privatisation and should be highlighted at every opportunity.



Catering for profits

On the surface, it would appear that catering is the service least vulnerable to mass privatisation. At present, private firms make up just 0.2% of the total catering provision in the NHS and up to now (September 1984) the DHAs that have put out to tender have all kept catering "in-house" — hardly a strong base from which to progress.

Furthermore, NHS catering is a 24-hour business and this does not necessarily fit into many firms' present operations or capabilities.

This is not to suggest that one should be complacent — far from it. Private caterers will be as keen as they are in local authorities to get their hands on any NHS contracts going and putting out to tender often just leads to cuts in "in-house service".

Also, as with other services, the caterers' record in local government leaves a lot to be desired, as teachers, pupils and the elderly in Merton will willingly testify.

As R Dyson, Hospital Caters Association has said:

> "In-house caterers demonstrated a very considerable record of success since the last re-organisation of 1974. Is there an appreciation by our lords at the Department of Health and in government, that such catering departments now feed 600,000 customers daily, an increase of 10% since the last re-organisation? But that during the same period, catering staff numbers have reduced by 9.4% to 36,803 members and this is despite the general increase in NHS staff in the same period of 19.4%."

However should the government's pressure be so great, as it has been with certain laundry contracts, that DHAs are forced to contract out on a large scale, whether it is less expensive or not, the savings can once again only be made on labour costs.

The amount of money spent on wages and the actual food is already so pathetically low (NHS daily allowance for an acute patient is just £1.09) that savings will have to be made on "fringe benefits" such as holidays, sick pay, bonuses and statutory rights that will be forfeited as staff become part-time.

Given that the lowest price a contractor currently works on in private hospitals is £4.50 per day per patient, the only way that they could make a profit in the NHS would be by exploiting staff still further.

The importance of doing one's "homework" when faced with privatisation, not only on the companies involved but also on the terms of the contract is well-illustrated in the catering area.

Especially important is whether the DHA's contract specifications allow for "like-for-like" comparisons between private firms and the existing "in-house" operation. Here, as Mr Dyson points out, a whole list of questions are thrown up. For example:

Monitoring contracts, when awarded: who would actually be responsible for this? And what technical knowledge and expertise would s/he have? Would

Porters beware!

Whilst portering services are not directly mentioned in the DHSS circular HC(18)83, they are well within the category of support services mentioned in the document and there is no reason why HAs could not at this moment put contracts out to tender. Should the present round of privatisation prove successful, then there is no doubt that portering will be recommended by the government next time round. In fact, one of the reasons why it was perhaps not included this time was the militancy of portering staff and their ability to organize an effective and successful campaign against privatisation. It is thus essential that porters become directly involved in the campaign now, if only to protect their jobs in the future, as it will not be so easy later, when private firms will already have a substantial influence in the NHS. Should anyone doubt this, one only has to look in the glossy brochures produced by the private firms, who all list 'porterage services' as just one of many they are able to provide the NHS.

it be a caterer or an administrator? Would it be a nurse or a finance officer? Or who?

Food costs: what would happen if the contractor wins the contract and then finds out that he cannot meet the intended price? Would he have to bear the loss (and receive a tax relief on that loss); or would the contract be broken? Would the authority revise the price that they paid to him? Will the contractor have access to the benefit of NHS purchasing powers? How would health authorities ensure that foodstuffs of good quality are purchased and that low quality items are ignored? Will a contractor receive an additional fee for feeding an expensive special diet (an NHS caterer has no more money for a special diet costing £30 a day than s/he does for an average patient)?

The use of hospital facilities: will the contractor have access to all parts of catering department in that specified location, or will there be a restriction, so that he can only use the department to provide catering services to the hospital? Or on a Saturday afternoon will we suddenly find that he is catering for a wedding reception from the hospital kitchen? Will the contractor have free use of energy used within the catering department, gas, steam, and all the rest of the services, including telephone, or will these be metred and recharged to the contractors? What would the policy be for the use of equipment within the catering department?

There are tremendous numbers of staff within the NHS that have given long service and have displayed true loyalty to the patients. In the event of a contractor being awarded a contract, how would that loyalty be returned and reflected? What criteria would a contractor use in deciding which NHS staff to absorb into his company and which he would make redundant?

All contractors have had considerable experience of tendering for catering contracts. They have sophisticated back-up facilities, marketing and sales staff, high quality techniques and financial resources to aid their tendering exercise. NHS staff have not got the advantage of such facilities or such experience. Will it therefore be placed at some considerable disadvantage when competing for tenders? Will this point be borne in mind by health authorities when considering competitive tenders?

This is something that all existing DLOs should be concerned about.

How does the contractor caterer propose to feed staff at night? This is a very expensive requirement for the DHSS caterer, but it has to be provided.

Assuming that the DHAs, and the government definitely, are not disposed to many of the arguments about cuts in existing staffs, standards of living and working conditions, these are perhaps the questions that the management must be forced to address themselves to.

PHOTO: Gina Glover (Photo Coop)

Women in the front line

The NHS is London's biggest employer of women, accounting for over 138,000 jobs. Nationally, over 500,000 (full-time) and 400,000 (part-time) women are employed within the health service, Women make up about 70% of the workforce, predominating in the traditionally "female" jobs of nursing, clerical work and ancillary jobs.

But under privatisation ancillary services are already going out to competitive tender; clerical work and nursing may not be too far behind. Women have everything to lose in terms of jobs, conditions and standards of health care if privatisation is allowed to proceed in the NHS.

For women, the axing of jobs in the NHS through cuts and privatisation and the destruction of the service is having the combined effect of driving women out of the workforce and saddling many with the burden of caring for sick and aging relatives on an unpaid basis in the home. The fact that cuts have focussed on nursery, geriatric and community services makes clear that the government intends to press-gang women into fulfilling their "traditional" role as carers.

The disputes at Barking and Hammersmith offer good examples of the threat posed to thousands of women domestics and ancillary staff by privatisation. Although hourly rates of pay remained unchanged, the contractor at Barking and the "in-house" tender at Hammersmith both slashed jobs and hours, while imposing a dramatic change in shift patterns. For many women this meant they could on longer work enough hours in the week for National Insurance to offer them sickness benefit. They would lose overtime for weekends; and unsocial shift patterns brought particular problems for women, who even while working still have domestic tasks to perform.

Thus women who have made ends meet at home by their own efforts, working in hard and low-paid jobs, now find themselves, by government decision, denied a living wage. Even retaining their former jobs on a part-time basis can be ruled out for many, since shift patterns will not allow them to take and pick up their children from school. And the concept of privatisation means that this kind of disturbance will not be a "once and for all" upheaval, but will be repeated every few years with the renewed competitive tendering for each contract, with jobs, hours and conditions cut back at each occasion.

Privatisation means redundancy for thousands of women, loss of earnings for thousands more; it offers nothing but misery to the vast female workforce in the NHS as a whole; and it links in to cutbacks in health spending, which will increase the burden on countless thousands more women in homes across the land. Women above all have a vested interest in fighting for action to stop the NHS privateers and the formulation of cut-throat "in-house" contracts.

Black workers in danger

"Black people first encountered the NHS not as a service provider, but as an employer. Like the other employers in need of cheap labour, the wages offered by the NHS were low. Working for the NHS also meant long hours and shift work."

(from 'Black People and the Service', Brent CHC).

Whilst the NHS can still be accused of using black workers as a source of cheap labour, conditions have improved, and thanks mainly to extensive trade union organisation and pay struggles in the 1970s exploitation has not been as acute as it might have been, or as acute as it has been for black workers in other sectors of the economy. But even this modest qualification will no longer apply should the government's privatisation programme be introduced.

Black workers should be particularly alarmed by privatisation. They make up a very high proportion of the workforce in the services which are most immediately at risk. A London hospital study "Migrant workers in the National Health Service" (SSRC 1980) shows the clear patterns of distribution of jobs by race and by sex in the NHS. It shows how reliant the capital's hospitals are on black labour: black men and women together make up 78% of all hospital ancillary and maintenance staff in London. Within specific categories of ancillary staff, "overseas born" men (6%) and women (78%) provide no less than 80% of the total labour force of domestics. 82% of catering staff are "overseas born", as are 80% of maintenance workers, while ethnic minorities account for 63% of portering jobs. All of these vital support services are, according to the contractors and Tory ideologues, ripe for privatisation.

Black workers are therefore in the front line as the government goes onto the attack; but they also face tremendous exploitation should they be "taken on" by private contractors in NHS work. Privatisation means not only a loss of jobs for thousands, but the destruction of union organisation, the scrapping of NHS conditions — sickness pay, holidays, pensions etc — and in many cases racist employment practices of the incoming cowboy firms for those health workers "lucky" enough to be employed.

Contractors are notorious for their preference to employ part-time labour, and in particular single out black women workers, hoping to avoid paying National Insurance and dealing with trade unions. One example of the rates on offer are the £1.20 per hour with no pension scheme or sick pay, as paid by Home Counties Cleaning Ltd (who clean Gatwick Airport). Since the aim of privatisation is to force the NHS ancillary workforce into "competition" with such cheapskate employers, this kind of pay represents the shape of things to come. And that is why black workers have as much if not more interest than any others in defeating privatisation and keeping contractors and their conditions out of the NHS.

Private plan

The Tory government's aversion to public expenditure on the social services (while *increasing* it on nuclear weapons, other military purposes and the police) has a great deal to do with their feeling that too much is being spend on "subsidising" the health of ordinary people. Instead of attacking the vast profits of the drug companies and suppliers, they focus their drive for "economies" against the already low wages and conditions established by organised labour. But this is no arbitrary attack: they hope that enough cuts in the NHS and more extensive inroads of privatisation will hopefully persuade more people to "opt out" of NHS treatment and go private. In the meantime the activities of private firms coin in profits from the NHS for the Tories' friends and suporters.

Will nurses clean up after the contractors?

Leaving aside for the time being the proposition that nursing will become privatised (although this is something that is seriously being considered — note the recent Omega Report by the Adam Smith Institute — and is perhaps not all that far away), what will the contracting out of ancillary services mean for nursing staff?

One obvious consequence is that nurses will have to devote more time to jobs that were once carried out by ancillaries. As Maureen Deakin, chair of the Nurses' National Advisory Committee (NUPE), pointed out:

'We have got to spell out loud and clear that nurses will not be getting involved in these non-nursing duties in order to fulfill the profits of contractors. If we now allow or expect our nurses to carry out ancillary duties we will be putting the clock back 20 years'.

Hopes of maintaining standards depend on NHS managers laying down strict specification for the work to be done and spending time monitoring contractors' performance, sorting out difficulties as they arise. Theatre nurses at the new East Surrey Hospital, where Crothalls have won their most recent substantial contract, recently spent a fortnight cleaning the floors themselves, while contract staff were released for training. The specifications had not included scrubbing theatre floors, and nurses had been horrified to find they were only being given a damp wipe.

As well as jobs that will not be done, and therefore have to be done by nurses, there is a real danger that standards will fall as jobs are not done properly. NHS staff tend to be more flexible with regard to the needs of the ward charge-nurses. It is unlikely that this will be the case with private firms who will have to work with tight schedules. Also, the relationship between a charge-nurse and a 'line-manager' of a private company is not defined and may well cause many problems.

At the moment, the RCNs seem unsure as to whether privatisation is a good or bad thing. Their position of 'benevolent neutrality', whereby nurses show sympathy to existing staff who face cuts but look forward to the benefits to patient care arising from 'savings' to the DHA, has not helped in making the membership fully aware of the likely consequences. This is a very real problem as complaints from nursing staff to the effect that standards are falling and placing patients at risk is one of the best ways of convincing HAs to think again about privatisation.

What unions can do

* Firstly, it is vital that all health workers are made aware of the threat to the NHS and to their jobs which privatisation represents. Most unions have material you can use setting out the arguments — or you can order more copies of this centrespread. Wherever necessary, get material translated and arrange special meetings for ethnic minority staff.
* The health unions in each District should adopt a firm policy of *resisting* privatisation. This means rejecting any involvement with drawing up in-house tenders or specifications. It is important to win the support of nursing staff, and also admin. workers in NALGO, who should boycott work on tendering, and keep manual workers informed of developments.
* From this base of opposition, unions should pressurise the DHAs to reject the privatisation of services. Demonstrations, meetings, one-day strikes or other action and mass lobbies of the DHAs can help in this; and they also help alert union members and the local community to the issues involved.
* Where, as in Hammersmith Hospital, management disregard the unions' views and attempt to impose outside contractors or new 'in-house' terms which slash jobs and wages, all-out strike action must be called *before* jobs are axed or contractors move in. All of the main health unions are pledged to fight privatisation: they must be called upon to support and extend the industrial action.
* The fight promises to be a tough one; but health workers are showing themselves ready to take it on. If privatisation is not nipped in the bud in 1984, it will spread like a malevolent weed through the NHS, strangling health care and making life misery for health workers. *The time to fight is now!*

The contractors' cartel

"By their works ye shall know them"

Leaving aside the ideological arguments, the governments' claim that the NHS is ripe for privatisation and that ancillary services can be adequately provided by private firms needs to be thoroughly examined. For instance, the many examples of contract failures, in what has up to now amounted to only a tiny section of the NHS support services, suggests that private contractors are actually not up to the job.

There is, however, perhaps more significant evidence when one examines the recent experience of privatisation in not just the NHS but the public sector as a whole. This suggests that not only are the contractors not capable of doing the work but that privatisation will not save the taxpayer or Health Authorities a penny and will in the process harm both staff and patients alike in the NHS.

Firstly, when tendering for new contracts many established firms cite examples of their work in other hospitals as recommendations. These might well be very good and even impressive to a prospective Health Authority. However, they are not necessarily a true reflection of the situation because there is a world of difference between a company tendering for an isolated contract in a field that is predominantly kept "in-house" and one who tenders against fierce competition for a slice of a lucrative new market.

Crothalls and Barking Hospital are a case in point. The wages, hours and terms and conditions that Crothalls gave their staff before the contract was renegotiated were not dissimilar to those given to in-house staff in similar sized hospitals throughout the country. And although the domestics were actually employed by a private firm, they did their job satisfactorily and well just like they would have done had they been employed directly by the NHS.

The startling changes in the terms and conditions that were offered after Crothalls had won the new contract, this time under fierce competition and with the Health Authority expecting its "substantial savings" (as promised by the government), clearly show the different situation that now exists. Health Authorities might well have given more contracts to Crothalls based on their reputation at Barking before March, had they not seen the company in its true light, demonstrated by its inability to clean the hospital properly and its treatment of its former employees now on strike. Secondly, most firms do not have the experience or know-how adequately to provide hospital ancillary services. Incidents such as that at East Surrey hospital, where Crothall's contract staff failed to scrub theatre floors properly — instead giving them a wipe with a damp cloth — are not uncommon.

They are as much a result of the contractors' inability to do the work as they are of the failure of the health authorities to lay down proper contract specifications.

Despite the seemingly impressive and specialised names of the tendering companes (Exclusive Health Care Services, OCS Hospital Services, etc) most are very small firms taken over by a larger company, or have been set up specifically to cash in on the potentially profitable new market in the NHS.

Similarly, the Contract Cleaning and Maintenance Association (CCMA), which is made up of the principal companies involved in cleaning contracts in the private sector and local government, has recently set up its own "Health Care Services Association" (HCSS). This has swiftly cobbled together a "Code of Practice" for its members in order to give it an air of competence and respectability. The HCSS has been in existence for less than 2 years: its aim is to make it easier for the big firms to "clean up' — the market, rather than the hospitals!

The creation of the HCSS leads on to a third major aspect of the

privatisation programme now being pushed through. "The Economist" — a magazine not noted for its affection for trade unions or the welfare state — drew attention in an article entitled "Monopoly is dead; long live cartel" to the dangers of a few firms dominating the provision of privatised services.

Members of the HCSS have already agreed to pay Whitley council rates of pay (a concession which means very little, since their main savings come through cuts in hours and conditions); they have also agreed to put up "performance bonds", which in effect offer a form of insurance to the health authorities that should the contractor fail to satisfy the contract properly, the DHA would be compensated to enable them to make alternative arrangements. These moves may appear designed to soften up management and union resistance; but they are also designed to squeeze out the smaller operators.

The HCSS believe that the NHS should agree to an exclusive list of approved contractors, drawn up by by them. But Tory Minister Norman "No wage level is morally unacceptable" Fowler, has rejected these proposals. This has opened the way for the disastrous results that had been forecast. The "free market competition" so favoured by this government will mean that firms will be prepared to slash wages and working conditions still further to achieve the lowest tender. Some will tender so low that they will be unable in practice to fulfil their contract, bringing more failures and all the time increasing the workload on other NHS staff while putting patients at risk.

Fourthly, "loss leaders" will become more evident. Loss leaders are already being used to establish companies in NHS contracts and displace otherwise competitive "in-house" tenders. Apart from just getting a foot in the door, they will increasingly be used to reinforce the big firms' cartel which the HCSS is currently unable to achieve, by wiping out the smaller operators. The consequences of allowing a few big, international firms to divide up NHS ancillary services amongst themselves would obviously be appalling.

* London Health Emergency was set up in 1983 with GLC support to coordinate local campaigns against health cuts in London. We are run by a Steering Committee drawn from local campaigns and union delegates.
* We are committed to: reversing the present health cuts; combatting privatisation; and democratising the NHS.
* We will be producing a monthly bulletin as well as pamphlets, leaflets, badges and posters to support the local and London-wide struggles against the cuts. We can provide speakers for trade union, Labour Party and other meetings on the cuts. Our aim is to support struggles under way against the cuts and privatisation, and to create the kind of local campaigns which can encourage health workers wherever necessary to take industrial action — strikes, work-ins, or supporting action — to defend jobs and services.
* We are always available to offer advice, support, material assistance and resources to health workers and local campaigns.
* There are now campaigns in all 31 London health districts.
* Also affiliated to London Health Emergency are: NUPE; GMBATU (Southern Region); Districts and branches of NALGO; ASTMS; COHSE and NUPE; and several Trades Councils and Community Health Councils.
* To succeed we need far more affiliations from union branches, Labour Parties, community and other organisations. A single (£10) fee affiliates your organisation both to the local health campaign and to London Health Emergency. In exchange we will send you 100 copies of our monthly bulletin, and regular mailings on events and struggles London-wide.
* Make sure your organisation affiliates.

Please affiliate this organisation to London Health Emergency.
Name of organisation .....
Name ..... Position held .....
Signature.....

ADDRESS.....
.....

Please send ..... extra copies of the monthly bulletin at £2 per 100 per month.
I enclose £ ..... affiliation fee (£5 local campaign/ £5 LHE)
plus £ ..... for extra bulletins, totalling .....
(make cheques/POs to London Health Service Campaign)
SEND TO LONDON HEALTH EMERGENCY, 335, GRAYS INN RD, WC1.

London HEALTH EMERGENCY

335 Gray's Inn Road, London WC1 Tel: 01-833 3020

"In-house" can be as bad!

The other dimension to privatisation is the pressure it brings to bear on hospital managements to draw up vicious plans for job-cuts in order to "compete" with cowboy contractors in seeking "in-house" tenders.

Early victims of this have been the domestics at Hammersmith Hospital, who walked out on strike in June against an "in-house" tender which was actually worse than the plans of outside contractors. Hospital management wanted to:

SACK nearly 40 workers outright;

CUT full-time staff from 123 to a mere 15;

CUT pay (a measly £66 per 40-hour week) by 50% for most of these remaining;

CUT hours of cleaning and domestic work in half, with obviously disastrous implications for hygeine and for patient care.

After 3 bitter months of strike action by the domestics, Hammersmith Special Health Authority voted on September 19 to hand the contract to an outside firm, Mediclean, and to sack the striking domestics. The Tory strategy of privatisation is precisely designed to leave these options open to managment, while the losers in every instance are the hospital ancillary staff and the public users of the health service.

All of the points made in this pamphlet against private contractors in the NHS apply equally against the terms and conditions offered under most "in-house" tenders. Hospital workers should not sacrifice their jobs and conditions simply to keep out contractors: they must fight to defend what little they have against their own management.

The contractors

COMPANY: CROTHALL AND CO. LTD.

ADDRESS: 34/44 Clifton Street, London EC2P 2DJ

MANAGING DIRECTOR: J. Broadly

PARENT/SISTER/SUBSIDIARY COMPANIES:
Crothalls is a subsidiary of Pritchards.
Cleaners Ltd.
General Cleaning Contractors Ltd.
B.A. Lester Ltd.
Lester Health Care Services Ltd.

MAJOR CONCERN IN THE NHS: Domestic services — Crothalls is a member of HCSS.

EXISTING CONTRACTS:
Barking Hospital — Redbridge DHA
Milton Keynes General Hospital — Milton Keynes DHA
Stoke Mandeville Hospital — Aylesbury DHA
St. Johns Hospital — Aylesbury DHA
Redhill General Hospital — E. Surrey DHA
New East Surrey Hospital — E. Surrey DHA
New Addenbrookes Hospital — Cambridge DHA
Hertford County Hospital — E. Herts DHA
East Herts Hospital — E. Herts DHA
Moorfields Eye Hospital — London Postgrad. Teaching Hospital

TORY PARTY LINKS:
Parent company (Pritchards) gave £10,000 in 1982 and £21,000 in 1983 to the Tories.
Michael Forsyth MP (Stirling): Owns Michael Forsyth Associates which are consultants to Pritchards.
Sir Anthony Grant MP (S.W. Cambridgeshire): Consultant to Pritchards.
Michael Brown MP (Brigg and Cleethorpes): Consultant to Michael Forsyth Associates.

CONTRACT FAILURES:
BARKING:
Extremely well publicised and its national prominence makes it something of a 'test case'. Domestics took strike action in response to job and wage cuts back in March. Strikers were 'sacked' by Crothalls who have been bussing in scab labour for the last 6 months. Damning reports have followed about the state of the 'filthy hospital'. Independent reports reveal unacceptably high levels of dirt, dust and grease and infestation of ants and cockroaches.
High turnover of contractor's staff and complaints from nursing staff that they are having to do cleaning work which should have been done by contractor.
NEW EAST SURREY HOSPITAL:
DHA received 64 written complaints against Crothalls for not fulfilling the original specifications of the contract. Attempt to overcome 'difficulties' by employing eight more staff.

LOSS LEADERS:
NEW EAST SURREY HOSPITAL:
Report to DHA stated that: 'In future contracts of this sort we will have to satisfy ourselves that the contract can be carried out within the contract sum. At the moment 8 staff are employed at the contractors' expense and I estimate that the contractors could be losing approximately £20,000 per year on this contract. Could a smaller company cope with this loss? It is very galling to note that the contractors are using this contract in their advertising. Even with these extra 8 staff standards could be improved'.

OCS

OCS Hospital Services

COMPANY: O.C.S. HOSPITAL SERVICES LTD.

ADDRESS: 28/36 Eagle St,
High Holborn, London WC1

MANAGING DIRECTOR: J. Goodliffe.

PARENT/SISTER/SUBSIDIARY COMPANIES:
O.C.S. is part of the O.C.S. Group Ltd.

MAJOR CONCERN IN NHS: Hospital cleaning
— OCS is a member of the HCSS.
Laundry — OCS owns Smarts Laundries Group Laundry

EXISTING CONTRACTS:
Duchess of Kent Military Hospital
Amersham General Hospital
Merton and Sutton HA
Barking, Havering and Brentwood HA
Colchester District General Hospital

TORY PARTY LINKS:
Geoffrey Finsberg MP (Hampstead and Highgate): Consultant to OCS Group.
Marcus Fox MP (Shipley): Consultant to OCS Group.

CONTRACT FAILURES:
Merton and Sutton DHA:
Report on their tender for the Nelson Hospital stated:
'the hours quoted for cleaning ward and clinical areas are so far below some of the other tenderers that their ability to deliver the service in accordance with the contract terms must be suspect'.
Maidstone HA:
In 1983, some laundry was awarded to Smarts on an experimental basis to test costs and effectiveness. The Authority found that Smarts could not cope with the work and the laundry has been brought back in-house. A NUPE spokesperson described one consignment of primrose yellow curtains that came back from Smarts as a 'yucky shade of brown'.

'Cockroaches crawl on hospital babes'

NEW born babies had ants and cockroaches crawling over them as they lay in their cots in a hospital ward, a young mother claimed this week.

Nineteen-year-old Carol Cook found her two-day-old baby Laura's cot mattress "crawling alive" with ants and cockroaches in the Williams Ward of Barking Hospital, where cleaners have been on strike for over three months.

She spent the night cradling Laura in her arms because she was too frightened to put her back in the cot.

Carol, of Porters Avenue, Dagenham, said: "One of the mums found ants crawling over her baby's face and when the rest of us got up there were ants everywhere. It was terrible — we all grabbed our babies and took them to bed with us.

"Laura's mattress was crawling alive with ants, and big insects like cockroaches."

Just three days after going into Barking Carol was sent home. She said: "The doctor said it wasn't right to keep us in the ward in those circumstances and discharged us.

"The time I spent in the hospital was a nightmare — the cots and ward were filthy — I used to go round with a mop and bucket myself."

● Top Labour MPs Michael Meacher and Frank Dobson were shown mounds of filthy and evil smelling rubbish dumped at the back of the hospital during their visit to the cleaners' picket line last week.

Some of the rubbish included red "danger" bags which held used dressings from infected wounds. Hospital admunistrator David Behr claimed the bags had been dumped for the "visitors' benefit" and said infected bags were normally stored separately.

The pickets have been ordered by a High Court judge to dismantle the huts where they shelter during their 24-hour-a-day vigil at the hospital gates.

Now the cleaners' union NUPE have agreed to a national day of action today (Wednesday) in support of the Barking dispute. Dozens of hospitals are likely to be affected, but accident and emergency cover will be maintained.

Sunlight Service Group

COMPANY: NATIONAL SUNLIGHT

ADDRESS: 125 Acre Lane,
Brixton, London SW2 5UB

MANAGING DIRECTOR: ?

PARENT/SISTER/SUBSIDIARY COMPANIES:
National Sunlight is part of the Sunlight Services Group
Sunlight Hospital Services
Advance Cleaning

MAJOR CONCERN IN NHS: Laundry

EXISTING CONTRACTS:
Barret HA
Bloomsbury HA
Brent HA
Cheltenham HA
Camberwell HA
Croydon HA
Rugby HA
Victoria HA

TORY PARTY LINKS:

CONTRACT FAILURES:
CHELTENHAM AND DISTRICT:
Sunlight Laundry has held the contract for all the Authority's laundry work since 1977. Following complaints of poor standards, the Authority carried out tests (using a reflectometer which measures the light passing through linen) on pillowcases returned from the Sunlight Laundry in September 1983. Only 15% met the quality control standards; the DHSS recommended acceptance level is 95%. With sheets, 73% were rejected.
Under the contracting agreement, articles rejected are to be 're-laundered within the appropriate time and at the contractor's expense'.
CAMBERWELL:
Camberwell DHA has imposed financial penalties amounting to a 50% increase on the contract price on the National Sunlight Group because of their failure to provide facilities for washing infected laundry.
Contract specifications for barrier washing facilities and vaccinations for staff were laid down in the tender document which went out in January 1984. Part of the contract was awarded in-house and part of it was awarded to the National Sunlight Group.
The contract was due to start on 1 May 1984. When health authority officers checked the plant, they discovered that barrier equipment had not been installed and staff had not been vaccinated. The Sunlight contract was for 15,000 articles a week at 10p per article. The DHA is now imposing penalties of 5p per article, the difference between the contract price and having the laundry done at the Swanley Laundry run by the City and Hackney DHA (from report in Health and Social Services Journal, 17.5.84)

ADVANCE

COMPANY: ADVANCE SERVICES

ADDRESS: 77 Upper Richmond Road
London SW15

PARENT/SISTER/SUBSIDIARY COMPANIES:
Advance is owned by B.E.T. (British Electric Traction)

BET Group includes:
Biffa Ltd.
Initial PLC

MAJOR CONCERN IN THE NHS: Laundry

EXISTING CONTRACTS:
Merton & Sutton DHA.
Croydon DHA.
Kingston DHA.

TORY PARTY LINKS:
B.E.T. donated £42,500 to the Conservative party between 1980 and 1983.
Tim Renton MP (Mid Sussex): Director of Advance.

CONTRACT FAILURES:
CROYDON:
Advance Laundry took over the laundry at Mayday and at St. Mary's Hospitals in February 1984. The Joint Shop Stewards' Committee have alleged a serious fall in standards. They say "there were problems right from the start", and though some were resolved, "other problems continue to plague the service". Laundry has come back crumpled, damp or not at all, resulting in "a number of potential threats to the health of patients".
The District Administrator claims these are teething problems and that they are satisfied with the contractor's arrangements to put matters right.

COMPANY: EXCLUSIVE HEALTH CARE SERVICES

ADDRESS: 1 Bury St,
Guildford, Surrey 0483 579595

MANAGING DIRECTOR: David Evans

PARENT/SISTER/SUBSIDIARY COMPANIES:
Exclusive are part of the Brengreen Holdings Ltd.

MAJOR CONCERN IN NHS: Domestic services and porterage. Exclusive is a member of the HCSS.

EXISTING CONTRACTS:
HMS Nelson Naval Hospital, Portsmouth
Westminster Hospital — Victoria DHA
Medway Hospital
Farnborough Hospital

TORY PARTY LINKS:
Brengreen Holdings, which owns Exclusive, gave over 5,000 to the Conservatives in both 1982 and 1983.
David Evans MP (St. Albans): Managing Director, Exclusive.
Anthony Steen MP (South Hants): Owns 2000 shares in Brengreen.
Marcus Fox MP (Shipley): Former Adviser to Brengreen.

CONTRACT FAILURES:
Merton and Sutton DHA visited Westminster Hospital when considering an Exclusive tender. They found that the cleaning was 'extremely poor' and that 'on the basis of the standards observed at the hospital visited, this company would not be able to fulfill the requirements of the contract'.

HHS *Service with Care*

COMPANY: HOSPITAL HYGIENE SERVICES LTD.

ADDRESS: Care House,
66 Bingley Road
Shipley, W. Yorks 0274 599399

MANAGING DIRECTOR: Dick Holdswoth

PARENT/SISTER/SUBSIDIARY COMPANIES:
CCA (Office and Factory) Cleaners Ltd.
Gamini Cleaning Supplies Ltd.
CCA International Ltd.
Care Security Services Ltd.
Care Services Group Ltd.

MAJOR CONCERN IN THE NHS: Domestic services — HHS is a member of HCSS.

EXISTING CONTRACTS:
Various military hospitals.
High Royds Hospital — Leeds DHA.
Leeds General Infirmary — Maidstone DHA.
Orpington Hospital.
Crawley Hospital.
Beckenham General Hospital.

TORY PARTY LINKS:
Marcus Fox MP (Shipley): Director of Hospital Hygiene Services Ltd.
R. Clement (DHSS): Civil servant seconded to help firm with tendering process.

CONTRACT FAILURES:
HIGH ROYDS HOSPITAL:
Dr Terry Nelson, head of the hospital's medical services committee, has complained to managers about erratic standards maintained by the contractors. One senior nurse complained of faeces, urine and vomit on the floors. (Report Sunday Times, 17.6.84)
The NUPE and COHSE Branch Secretaries at the hospital report that the contractor has 'interfered with fuses in plugs by drilling over the caps at the end and replacing the 13 amp fuse wire with 20 amp,' creating a serious fire risk throughout the hospital. (30.5.84)
The report also states that Hospital Hygiene Services were issuing sulphuric acid in sprays for descaling toilets.
The contractor's unilateral alteration of employees working hours and earnings led to a strike (18.5.84) with further disruption of work.
LEEDS GENERAL INFIRMARY:
Hospital Hygiene Services won the contract for the new Clarendon Wing at the Leeds General Infirmary on a saving of £45,000 per year against the in-house price. The NUPE Area Officer, Jim Stirton, reports 2 March 1984 that the situation is 'chaotic and unsatisfactory'. 'The labour turnover of the staff at the hospital and the unsatisfactory state of the cleanliness have contributed to Leeds Western Health Authority agreeing to only a limited programme of privatisation and a lengthy period of evaluation to their existing private contract ...'

LOSS LEADERS:
MERTON AND SUTTON DHA:
Report on tender to DHA stated:
'Figures quoted by this tender appear to be suspect in that either they are presenting a tender which is a loss leader, or they have missed certain elements out of their tender. If this is the case, the possibility of their maintaining the standards required must be suspect'.

Printed by Dot Press (TU) Oxford. Published by London Health Emergency, 335, Grays Inn Rd, WC1.