Paul Evans (NHS Support Federation)

After the Health and Social Care Act was passed, we expected a gold rush of companies trying to take advantage of this new business opportunity. There has been a huge rise in activity. NHS contracts are being put up to tender in their hundreds covering every aspect of care. Twenty years ago, only long-term care and some psychiatric treatment were the areas where private companies got involved. Now it’s hard to name a part of our NHS that a private company can’t bid to run for profit.

£16m worth of contracts were awarded in the last 3 years, £6 billion going to the private sector. All of which means the NHS is losing out. The government of course says there is no privatisation and dismisses the numbers as chicken feed.

That’s why the NHS is under pressure, losing contracts, losing income. But the success of local campaigns sends a real message, that sometimes we can defend NHS services and we’re certainly going to do more of this because the mad-cap experiment is still there: the market framework, its powerful incentives, all backed by law, all still in place.

What have we learned from the providers who have tried to run NHS services for profit? Serco tried, with GP out of hours and community care, but they could only do it by fiddling their performance figures and over-charging, allowing standards to slip. By cutting staff numbers.

We can learn from Circle, too. They taught us that it is actually really difficult to make a whole NHS hospital run for profit, not even if you cut staff numbers and cause standards to drop. But undeterred, Circle stepped forward again to help privatise Nottingham’s Dermatology Service. By 2015 this was described as an unmitigated disaster, turning a centre of excellence into a much reduced service, with patients travelling outside the area and experienced consultants driven away and replaced by locums.

Some say it doesn’t matter who provides our care as long as it’s free. Of course it matters. Try telling that to the patient of Vanguard healthcare, who botched the eye operations of 30 NHS patients, threatening their sight. The treatment was rushed and painful as the staff tried to get through cases in their mobile eye unit using unfamiliar equipment.

Of course, we know at times the NHS struggles to provide the best care. But for a very different reason. We are seeing evidence that chasing a profit in the NHS market is turning some patients into victims.

Where does this lead the privatisation project? Certainly companies are struggling to make a profit and the government seem less enthusiastic about competition and the rhetoric of the Lansley Report. But there is no sign of them removing the market.

The one thing I think we can say to people out there is that it is a real shame in terms of the loss of potential, the waste of money, and the staff commitment. You can tell people the positive story about what the NHS could do if unleashed from PFI and free from the waste of the market and with a proper level of investment. PFI and privatisation are threats. But it’s the market machinery which
makes it happen, which splits up our NHS, creating adversaries and financial goals where there should be partnership and a focus on the patient.

At the NHS Support Federation, we have been trying to collect evidence and set up an early warning system on contracts, and launch a new website on funding which will look at the impacts of cuts.