



Briefing: Crisis in the National Health Service

1. Defining the nature of the crisis in the NHS

There is a crisis of cuts, privatisation and reorganisation in the NHS.

The NHS is struggling to meet the Government's demand to save £20 billion over five years. Savings for 2015/16 have been brought forward such that an additional £500m must now be found. The Government has not protected the NHS budget.

A number of NHS organisations in the North West are in extreme financial difficulty including: Bolton Royal, Tameside, UHSM, Pennine Acute, East Lancashire, Morecambe Bay and North Cumbria. In addition, mental health services are in crisis across the region.

North West commissioners (mainly CCGs) are set to lose £622 million. This is likely to lead to some services no longer being commissioned for NHS patients and to more outsourcing of provision. Most CCGs are putting services out to tender and there are two big community contracts going out in Oldham and Heywood, Middleton and Rochdale (HMR).

Accident & Emergency waiting times are increasing. The Government's cuts and privatisation in the telephone contact service and their walk-in centre closures (a quarter have closed since 2010) have increased demands on A&E.

The Government and its allies in the media are deliberately diverting blame from themselves through demonising NHS staff. Wilful abuse cannot be defended but we must keep in mind that this remains miniscule and can be countered through existing laws. We must reaffirm that the failings at Mid-Staffordshire were a direct result of unrealistic financial targets, budget cuts and understaffing.

The Government is simultaneously talking tough whilst creating the financial pressures and organisational chaos that makes poor quality care more likely – despite the best efforts of staff.

The Government is trying to create the conditions where the public might accept greater private sector involvement in healthcare.

2. Cost of living crisis

The cost of living crisis reflects rising prices for essential goods and services and stagnating incomes. Health workers have already seen their real wages fall for three years, and the Government and Employers have called on the Pay Review Body to not pay even a 1% increase in 2014/15 (which in any case would be a fourth year of real wage cuts).

Incremental pay rises have mitigated against cuts in living standards for some, but these provisions are under attack by the Government and employers.

For growing numbers of NHS staff, the cost of living crisis means not just falling real wages but falling take-home pay. This is happening through:

- Downbanding: some examples are Admin & Clerical staff at Royal Liverpool, and Theatre staff at Alder Hey. Moves to downband staff are compounded by Trusts also reducing pay protection entitlements.
- Withdrawal of enhancements: such as the removal of “danger money” by Mersey Care for staff working with high risk patients in places like Ashworth Hospital
- Cuts in basic pay rates: Calderstones NHS Trust, through its community interest company Future Directions, is cutting staff basic pay in Rochdale by 22-28% and also cutting unsocial hours payments such that some staff lose half their income.

Trusts in the North West are reorganising services in ways that worsen jobs for staff but also worsen services for patients. The changes at Royal Liverpool involve more generic working and the loss of specialist skills. The removal of extra pay for dangerous work at Mersey Care creates recruitment and retention difficulties at high security workplaces.

More generally, morale amongst NHS staff is at the lowest level for many years. The way staff are being treated will ultimately have an impact on recruitment and retention across the NHS.

NHS England recently announced the wholesale closure of primary care services. In the North West, 11 or 17 offices will close and there will be staff reductions in those that remain open. This could seriously impact on primary care screening programmes and cause great difficulty to local GP practices.

What is needed:

The level of funding cuts and pressure on staff needs to be highlighted.

Health workers must be defended. NHS staff are working really hard in increasingly difficult circumstances. The fault lies with underfunding, privatisation and re-organisation.

Greater scrutiny is needed in regard to the tendering out of services in Oldham, HMR and elsewhere. There must be no conflict of interest, and quality of care rather than cost must be the decisive factor in commissioning decisions.

Similarly the decision to cut primary care services and the risk to screening programmes needs to come under close scrutiny.

The cuts in living standards of NHS workers should be highlighted as an important part of the cost of living crisis.