Here is your special edition of our newsletter where we catalogue shocking facts about some of the over 200 private companies involved in the carve-up of our NHS. The list includes an international arms company placed in charge of youth mental health care services (page 5).

“How come we didn’t know”? A powerful photographic exhibition which exposes the extent of privatisation of our NHS and the consequences by Marion MacAlpine of Hackney KONHSP. We have also been lucky enough to borrow the “Roll of Dishonour” a listing of peers and MPs with private healthcare interests, produced by the Bexley, Bromley and Greenwich branch of the National Health Action Party.

The exhibition will run for 3 days from Tuesday 24th June in the café area of the Brighthelm centre 11 – 7 30 on Tuesday and Wednesday and until 9 30 on Thursday. The exhibition will be opened by Caroline Lucas at 12pm on Tuesday 24th. All welcome.

“Who are the Fat Cats of Health and Who pays the Price?” – public meeting in the Brighthelm auditorium 7 30 – 9pm. The headline speaker is Linda Kaucher, activist and researcher into international trade relations and member of the StopTTIP campaign group.

Both events hosted by Defend the NHS and Keep our NHS public. For more info - link on our website http://defendthenhssussex.weebly.com/recent-news.html

**SOME PRIVATISATION NUMBERS**

**1 in 6** NHS hospitals offer private services due to increased cost pressures.

Data from 134 acute hospital trusts in England shows that 119 trusts (89%) now offer ‘self funded’ or NHS private services; 21 (16%) added new self funding or private treatment options for 2013-14; and 17 (13%) now allow patients to pay for one or more services at notional NHS rates, under the self funding scheme. (BMJ survey)

71% of GPs surveyed believe rationing of healthcare has increased since 2013

**1 in 5** members of Clinical Commissioning Groups have financial interests in private healthcare providers

56% of NHS trusts have tightened criteria (ie excluded some procedures from their lists) for common operations

Under PFI contracts In 2011 the taxpayer owed £121.4 bn to pay for buildings which were only valued at £52.9 bn. In 2013-14, PFI payments are £2.3 bn a year.

**PARLIAMENTARY LINKS TO PRIVATE HEALTHCARE:**

The web of private healthcare entanglements strangling our publicly owned NHS goes right to the heart of Westminster. You will be amazed by the list of MPs profiting from the dismantling of our NHS. See the Roll of Dishonour at the exhibition in the
Brighthelm centre next week.

http://socialinvestigations.blogspot.co.uk/2014/03/compilation-of-parliamentary-financial.html

Donations from private health to Tories

THE PRIVATE TENTACLES WRAPPED ROUND OUR HEALTH SERVICE

If the NHS privatisation is as far advanced as campaigners say why isn’t the public in uproar? The answer is very complex but such factors as government spin and propaganda; media, particularly television and radio silence (apart from rubbing of the NHS); shameful lack of investigative journalism; the bullying into silence of NHS employees all play a role.

But possibly most significantly many private companies are allowed to masquerade under the NHS logo. This is a double result for the government. It continues the myth that the NHS is business as usual when its finances and services are falling apart and when, as all too often happens, things go drastically, even tragically wrong, people blame the NHS not the private company involved or of course the government.

VIRGIN CARE

Run over 350 GP practices and some 230 NHS services round England. In 2012 the company took the £450m contract to run Surrey community health services. There had previously been a much lauded transfer of NHS services to a social enterprise, but within 2 years led to a takeover by Virgin, who were ‘better able to raise bond finance’. Nurses and doctors no longer work for NHS.

In January 2014, a Care Quality Commission evaluation of a Virgin Care-owned clinic in Croydon found it put patients at risk and was in breach of four basic standards of care.

- Secrecy – Virgin Care claims its Primary Care contract with NHS England requires it not to respond directly to Freedom of Information requests. The government backs it up. http://www.hsj.co.uk/news/primary-care/virgin-care-is-only-gp-provider-not-to-respond-to-foi-request/5071691.article#.U5n_rhbth4M

SPIRE HEALTHCARE

Runs the new Montefiore Hospital in Montefiore Road Hove and 37 more centres.

- Cherry-picking Hospitals get paid a standard rate (tariff) for specific treatments –eg hip replacements; but private hospitals set criteria of admission and refer those with more complex needs back to the NHS for treatment (and still get paid for assessing the referral).

- Complex trail of company finances Owned by private equity firm Cinven who borrowed heavily to buy hospitals from BUPA. Spire channels £65 million a year through Luxembourg, almost cancelling out its taxable UK earnings. Publishes an operating profit of £130m (2012) at same time as operating loss of £130m thereby getting away with paying very little tax. In the past it has paid interest on loans to a subsidiary of its parent company Cinven, thus claiming loss for tax purposes. To reduce its loan debt/realise its assets has recently been selling off buildings and leasing them back. Spire is likely to be bought by a bigger group of private equity companies through the Abu Dhabi Investment Authority.
**CIRCLE HEALTH**

Circle is registered in Jersey for obvious tax reasons. The company has made big losses on its private hospitals. Its operating company leases the hospitals and pays rent with vast sums of debt secured against the properties, attractive to property speculators.

Circle was the **first private firm in 2011 to run an NHS hospital** - Hinchingbroke, Cambridge. Circle was supposed to “turn around” the hospital deficit. The CEO Ali Parsa was sacked in 2012 with a £400,000 pay off.

Circle has a 10 yr contract from the NHS: the company’s potential losses are capped at £7 million, only 0.7% of the NHS funds it will manage over the term of the contract. It has powerful backers: the private investment/hedge- funds that own 51% of the company include big donors to the Conservative Party (eg Paul Ruddock £300,000 since 2010).

Circle is now making “savings” at Hinchingbrooke at the expense of staff. **300 jobs are being cut and several wards closed.**

Patient satisfaction in the hospital dropped from top to 19th out of 46 in the region.

Nevertheless Circle sees the NHS as lucrative business. In 2008 the company borrowed £42m to build treatment centre in Nottingham, and sold its services to NHS. Finding the interest on the loan too high, in 2013 it “exercised its unconditional right to receive cash”. NHS Property Services took over the centre, but awarded the contract back to Circle which no longer has the risks of funding the centre itself.

**BOOTS**

Despite receiving over 40% of its revenue indirectly from the tax payer, by providing prescription services to the NHS, it has been estimated that Boots has avoided paying taxes worth £1.21bn since 2007. Yet another shameful tax-dodger.

**CARE UK**

Founded in 1982 by John Nash, venture capitalist as Anglia Secure Homes.

In 1994 the company became Care UK plc and in 2010 Care UK Ltd. Care UK ran the orthopaedic treatment centre at the Princess Royal hospital from 2007 -2012. The service was taken back by BSUH because the company was creaming off profits from straightforward operations and losing tariff revenue (£2.5 million losses per annum) for BSUH which was furthermore left doing the more complex procedures.

http://www.midsussextimes.co.uk/news/health/nhs-to-take-over-sussex-orthopaedic-centre-1-3357055

In November 2012 Care UK bought Harmoni, a company that started as a GP co-operative. 5 family GPs became millionaires from the sale of a publicly-funded out-of-hours service, covering 15 million patients.

http://www.theguardian.com/society/2012/nov/09/healthcare-sell-off-gps

**What happens to workers when services are privatised?**

In Doncaster, workers transferred to Care UK at a supported living contract are fighting to protect their NHS terms and conditions. The employer is proposing to cut wages by up to 50%. Despite attempts by Unison to negotiate, Care UK is refusing to change its position and is imposing new contracts. 90% of 150 Unison members voted for action. Members have already taken sustained strike action, and are holding firm with massive support from around the country.

**SERCO**

The company is currently being investigated by the Serious Fraud Office.

Serco –

- lost its GP Out-of-Hours contract in Cornwall after falsifying data and delivering a ‘short-staffed and substandard service’.
- announced 137 health job cuts, and failed to meet 49 out of 188 performance
indicators for Suffolk community services, sparking a contract review withdrew from its contract to provide NHS community services in Essex – insufficient profit no doubt.
lost £40m a year contract for electronic tagging after charging for prisoners who were dead or in prison.

An official report in July 2012 found the Serco-run out-of-hours service in the county was under-staffed and falsified data to meet targets.

Public want SERCO banned from govt contracts
http://www.leftfootforward.org/2014/05/public-want-serco-banned-from-government-contracts/

Nearly 80 per cent of the public think Serco, the scandal-hit outsourcing company, should not be allowed to bid for public service contracts, according to a recent poll carried out by Survation for campaign group We Own it. The survey showed an increase in support for the government running public services when companies are found guilty of mismanagement or defrauding taxpayers.

The new polling also found that outsourcing companies such as Atos, Serco, Capita and G4S have the lowest levels of trust compared to other organizations.

Commenting on the findings, director of We Own It Cat Hobbs said “Politicians are colluding in this corruption. We want to see them commit to giving public service users a real say.

SODEXO

Sodexo is a huge French multinational, employing 400,000 people. Profits were 9541m euros in 2011. Serco has a history of denying unionisation in its operations.

In Nov 2012 Sodexo won a £15m contract for provision of NHS services to Brighton and Sussex University Hospital Trust.

700 NHS staff, mostly cleaners and porters, were transferred to Sodexo who almost within a month of taking over threatened to make nearly 100 of them redundant. The GMB balloted the workers for industrial action and following a strong union/community campaign, the company retracted.

Problems over fair pay and changes in conditions continue. There have been recent rumours of the introduction of zero hours contracts for staff.

INTERNATIONAL ARMS TRADE AND THE NHS


A private healthcare company heavily involved in the provision of mental health services for young people in this country has some interesting international business interests. The company C&C Alpha Group has been described as a “a defence and healthcare business” (Guardian). They have been involved in many of India’s biggest defence ie arms transactions as well as controlling health and care services in this country and abroad.

The company turned over £89m in the year to April 2013, with hospitals and care homes among the company assets. Accounts for the year showed it paid management bonuses of £2.7m, but just £169,361 of UK tax.

The owner has previously been investigated by the Indian police over the involvements in arms deals in India and was placed on a list of "unscrupulous persons" by India’s Central Bureau of Investigations. What a great idea. How about a list of “unsavoury persons” in this country?

During unannounced visits to C&C Alpha’s private low-security mental health hospital in Woking which treats young people and adolescents for the NHS, Care Quality Commission inspectors found the hospital "was failing to meet five of the six national
standards,” including "care and welfare of people" and "safeguarding people from abuse. Inspections uncovered instances of young people put in seclusion for “whispering”, failure to provide medical support to those in need, strip-searching and unwarranted restraint.

Other mental hospitals owned by the company have also been criticised by inspectors.

**The web of corruption**

“Connections and discretion are the name of the game in the international arms trade. Choudhrie is on first name terms with senior politicians across the world and is one of the Liberal Democrats' biggest donors.” (Guardian 14th Feb 2014)

Leading Lib Dem MP and NHS critic Simon Hughes has demanded that the "NHS should be responsive to patients' needs, based on co-operation rather than competition, and promote quality and equity not the market.” Laudable sentiments.

But what price silence? The Choudhrie family reportedly gave £60,000 to Hughes’ constituency party to help him get re-elected as well as £500,000 to the Lib Dem party. Lib Dem MP Paul Burstow went to charitable events hosted by the company owners when he was a health minister.

The Lib Dems get some big money. We get stuck with an arms-dealing firm making a mess of the NHS.

Even the desperate Lib Dems have their limits though. Head of the family owning the company, Sunhir Choudhrie, who was placed on the party’s internal list for future peers last year, was summarily dropped after the report from the Care Quality Commission (CQC) into the Woking and other hospitals. No loyalty some people.

See Child Mental Healthcare in meltdown and seethe. 
http://www.theguardian.com/society/2014/may/18/child-mental-health-services-under-pressure

**ACADIA THE US BUY-UP OF OUR NHS CONTINUES APACE**

*Tue, 3rd June 2014 By Ankit Ajmera in Interactive Investor (Reuters report)*

"Acadia Healthcare Co Inc, an operator of psychiatric and substance-abuse clinics in the United States, said it would buy Partnerships in Care (PiC) for about $660 million (394 million pounds) to enter the UK’s growing non-government behavioural health care market.

The market for such care has been growing at 9.2 percent annually since 2004, largely due to a decline in National Health Service funding for government clinics, Acadia said.

PiC, the second largest independent provider of inpatient behavioural healthcare services in the UK, had revenue of about $285 million in 2013. Privately owned PiC operates 23 inpatient psychiatric clinics with more than 1,200 beds. Almost all its business comes from the NHS.

Acadia, which is based in Franklin, Tennessee, said the deal would add 17-20 cents per share to its earnings in 2014 and 40-46 cents per share in 2015.

**DTNHS Comment:** As "specialists in substance misuse services Acadia are of particular interest locally. We need to remind ourselves that these services, hawked around by the UK government are those on which the most vulnerable in our society depend.

**THE BIGGEST DANGER OF ALL**

**TTIP (Transatlantic Trade and Investment Partnership)**

Right now, Europe and the USA are negotiating a huge corporate power grab affecting millions of European, American citizens and worldwide. It is the most serious and frightening threat to our democracies for many years. It is in particular a massive threat to our NHS. If ratified this agreement will smash the already open floodgates of private corporations grabbing our health (and other) services.
If agreed, the proposed system of secret courts to which international corporations would have access, would hand them the power to overturn democratically decided laws, on everything from environmental protections to food safety.

Under public pressure, the EU is launching a big public consultation about the TTIP. There is a real danger that the loudest voices will be the giant corporations. We don’t have long to prove that it’s people power that counts, not corporate power.


For more information see this online booklet - “TTIP – a charter for deregulation, an attack on jobs and an end to democracy” – John Hilary. Link - [http://www.waronwant.org/about-us/publications](http://www.waronwant.org/about-us/publications)

SIMON KIRBY’s HOSPITAL

Regular readers will remember an article we did a few issues ago where we asked Mr Kirby to answer questions about the massive £420 million government grant to refurbish and build a new wing of the Royal Sussex. Well either he or someone close to him reads our newsletter. He tweeted the following day that under no circumstances does the funding granted involve PFI arrangements. But, as local NHS services are faced with making massive savings, we would still like to know where the money is coming from.

Two questions Mr Kirby did not answer....

**How does he square his support for a “new hospital for Brighton” with his even more enthusiastic support for the govt’s NHS cuts and privatisation programme?**

**Given the funding is from the British taxpayer, can he guarantee that the new hospital will be fully owned, run and staffed by the NHS with free and equal access for all patients to all facilities?**

Also we are thrilled to hear about the inclusion in the new development of ensuite accommodation and shopping opportunities for patients. For those who don’t know - under an amendment to the Health and Social Care Act – 49% of hospital beds can be made available to private patients.

Since being so roundly defeated by the Stop the closure of Lewisham hospital campaign last year the government with Matthew Kershaw – chief executive of BSUHT as local head of operations, have cunningly developed a different strategy. They are now attempting to turn our NHS hospitals into private enclaves by stealth. This should not be happening anywhere but we particularly want to be assured that it will not be the case with the new Royal Sussex development and that any patient will have the same priority for free access to the new facilities.

**In the next issue** - letters going out from BSUHT management to people on hospital waiting lists encouraging them to consider private treatment and the online direct debit forms for NHS treatments.

**WHAT WE CAN DO....**

Our biggest challenge is to make it crystal clear to MPs, councillors, NHS management, all the management boards of the NHS Trusts in the city and above all Mr Kershaw and his echelons that we are not prepared to have our NHS carved up. Privateers are most definitely not welcome in our city.

Come to our events next week. We will be making an announcement about our next exciting city-wide anti-privatisation campaign at the public meeting. Don’t miss it. **See you next week.**

**Contact us on defendournhs@gmail.com or via Facebook or Twitter.**