

HEALTH EMERGENCY

The Health Watchdog

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£450 per head to be axed from West Midlands health care

The massive £2.4 billion cuts package being drawn up by West Midlands health chiefs to balance the books of the NHS over the next four years will mean a cut in spending of £450 for every man woman and child in the region, according to campaigners Health Emergency.

The plans were eventually revealed in the *Birmingham Mail* (January 28), but had not previously been discussed in open session of NHS West Midlands, and will have come as a shock to health workers as well as the local public. The cuts form part of a drastic national cost-cutting plan for the NHS as the nine successive years of big real terms increases in health budgets end in 2011.

West Midlands has been singled out for the **biggest cuts outside of London**, where health bosses have set out plans to slash spending by over £5 billion by axing **up to a third of hospital beds**, a wholesale **switch of A&E and outpatient treatment** away from hospitals to health centres and “polyclinics”, cuts of a third in the length of **patient consultation times with GPs**, and **cuts of up to two thirds** in spending on “non-acute” (primary care and community) services.

West Midlands hospitals currently have 11,600 frontline (acute) beds and 1,500 specialising in care for the elderly. Closing a third of them could mean losing up to 4,000 beds. A *Health Service Journal* article late last year suggested that cuts on the scale now planned could only be achieved by axing up to half a dozen hospitals in each Strategic Health Authority area.

Suggested priorities from NHS West Midlands in November for cost savings include:

- Cutting £60-£80m from Extended Community Team support
- Cutting £30m from clinical support to nursing homes
- Cutting £30m from out of area mental health placements
- Cutting £110m from “redesigning outpatients referrals and follow-up”
- Cutting £105m from expert advice and triage
- Cutting £59m by scrapping “interventions of limited clinical value”

But even if all of these cuts were viable and implemented, the whole list only adds up to **£503m**, well short of the **£2.4 billion target**. It is clear that painful cuts on the scale planned by NHS West Midlands can only be achieved through axing **jobs, beds, services and whole hospitals**.

The squeeze on hospital budgets will also cause a crisis for the new **University of Birmingham Hospital** being built for a staggering **£627 million** under the controversial Private Finance Initiative. It is due to come on stream next year, with annual lease payments beginning at **£47m a year**, index linked, for 35 years. The total cost will be £2.5 billion – but with high fixed overheads, reductions in the “tariff” that fixes Trust income, the squeeze on spending, and pressure to divert patients away from hospitals, the Trust could be struggling to balance the books from day one.

Other substantial PFI schemes in the West Midlands that could be thrown into crisis are **Coventry's** £420m University Hospital Coventry and Warwickshire, **Walsall**, **Worcester** and **Dudley**.

All of these cuts to the NHS would be carried out whichever party wins the next election: both main parties have pledged to “protect the NHS”, but both have made clear that they would only increase NHS spending in line with inflation, not in line with growing demand for health care and inflated costs of drugs etc, which require an additional 4% each year.

Commenting on the figures, Health Emergency Information Director Dr John Lister said:

“Cutbacks on this scale threaten real problems across the West Midlands. There is no guarantee that any of the proposals put forward by NHS West Midlands will save the massive sums needed, and it seems certain that services, beds and whole hospitals will be forced to close, leaving patients with longer journeys to access health care.

“Thousands of health workers’ jobs will need to be axed to cut £2.4 billion: in NE London, plans spell out the need to cut nursing costs by a third, spending on doctors by 40% and other overhead costs by over 30%. Similar policies will inevitably soon be emerging in the West Midlands.

“It’s clear that patients and the public are being deliberately kept in the dark as these plans for unacceptable cuts are hatched up behind closed doors.

“Obviously these cuts are driven first and foremost not by NHS or public sector failure, but by the deficit caused by the banking crisis. But instead of cutting wasteful spending on management consultants, profiteering private providers and pointless NHS bureaucracy, these cuts are biting in to the bone of basic frontline services. Health bosses must be told this will not be accepted.”

FURTHER DETAILS: JOHN LISTER 07774 264112, john.lister@virgin.net

How the cutbacks seem set to fall across England (from Strategic Health Authority websites)

| | population | Budget 2009-10 | Average spend per head | population as % of England | budget as % of England | efficiency saving target | Actual and estimated targets | Estimated share of £20bn | Average target per head | |
|---------------------------|---------------|----------------|------------------------|----------------------------|------------------------|--------------------------|------------------------------|--------------------------|-------------------------|----------|
| | (million) | £ billion | £ | | | £ billion | £ billion | % | £ | |
| North East | 2.545 | 4,999 | 1,946 | 5.1 | 5.6 | ? | 1.0 | 5 | 393 | Estimate |
| North West | 6.827 | 13,181 | 1,907 | 13.6 | 14.8 | 2.0 | 2.0 | 10 | 293 | |
| Yorks & Humber | 5.038 | 9,319 | 1,781 | 10.1 | 10.5 | ? | 2.0 | 10 | 297 | Estimate |
| East Midlands | 4.279 | 7,047 | 1,583 | 8.5 | 7.9 | 0.8 | 0.8 | 4.0 | 187 | |
| West Midlands | 5.334 | 9,345 | 1,725 | 10.6 | 10.5 | 2.4 | 2.4 | 12 | 450 | |
| East of England | 5.491 | 8,836 | 1,546 | 11.0 | 9.9 | ? | 2.0 | 10 | 364 | Estimate |
| London | 7.428 | 15,060 | 1,976 | 14.8 | 16.9 | 5.0 | 5.0 | 25 | 673 | |
| South East Coast | 4.187 | 12,846 | 1,538 | 8.4 | 14.4 | 1.6 | 1.6 | 8 | 382 | |
| South Central | 3.922 | | | 7.8 | | 1.3 | 1.3 | 6.5 | 331 | |
| South West | 5.038 | 8,357 | 1,602 | 10.1 | 9.4 | 2.0 | 2.0 | 10 | 397 | |
| England | 50.089 | 88,990 | 1,728 | | | 15.1 | 20.1 | | 399 | |

(Source: SHA websites, Board papers, DoH statistics. Compiled by Health Emergency February 2010)