Executive Summary

The Draft Report of the Trust Special Administrator (TSA) called in to deal with the financial crisis at South London Healthcare Trust centres mainly on changes at the neighbouring University Hospital Lewisham. It is proposed that this hospital should lose its A&E and its critical care, complex surgery and complex medical services, despite the fact that Lewisham is one of the 20 most deprived boroughs in England, and those with the most serious illness from the most vulnerable groups would be obliged to travel further, out of the borough, to access hospital treatment.

The consultation on the TSA plan is almost at an end, and its conclusion will end any form of local or public accountability: the plans would then be finalised by the TSA and submitted for approval by the Secretary of State Jeremy Hunt with no further consultation and no right of appeal. It would mean decisions to close high quality local health services could be railroaded through within just four months from the publication of the proposals.

Looking after PFI shareholders

Despite the fact that the South London Healthcare Trust has effectively been bankrupted by two costly Private Finance Initiative contracts to build new hospitals (Queen Elizabeth Hospital, Woolwich, and Princess Royal university Hospital in Orpington) the plan can be seen to protect the interests of PFI shareholders at the expense of health care. PFI payments would be subsidised for 20 years, and debts from PFI written off.

In addition to the cuts in Lewisham, the cutbacks and reorganisation proposed by the TSA to balance the books of South London Healthcare include removing the remaining inpatient services at Queen Mary's Hospital Sidcup. The South London trust would be broken up, and Queen Elizabeth Hospital merged with Lewisham Healthcare Trust . Princess Royal University Hospital would either be "franchised" to new management (public or private sector) or take over by King's College Hospital Trust. Hundreds of jobs would be cut including doctors, nurses, scientific and technical and admin staff, with some clinical support services outsourced.

422 beds would be closed by 2017, including beds at Guy's and St Thomas's hospitals. Land and assets rendered surplus at Queen Mary's and at University Hospital Lewisham would be sold off (58% of the Lewisham site).

This report raises concerns that the remaining services would not be able to cope with the combined caseload of emergencies and complex treatment if UH Lewisham is scaled down to deal only with the most straightforward cases.

Could it work? Flawed assumptions

A central point of the TSA's plan is the expectation that more of the burden of care would be taken on by Community Based Care: but this report argues that the "strategy" to expand these services contains no real plans, and resources are lacking. The "strategy" is a wish list of aspirations, but bearing little relation to the increasingly fragmented community health services in SE London in an increasingly fragmented system. The lack of credible community based care is one reason why the TSA's claims that up to 77% of the current A&E caseload at Lewisham A&E could still be treated at Lewisham Hospital do not add up. The TSA expects 30% to be treated in the community, and also argues that an improbably high number could be safely treated in the "Urgent Care Centre" despite available evidence indicating the contrary. The UCC currently works alongside the Emergency Department, and is therefore able to take on cases that it could not as a standalone unit: these cases have not been taken account of in the TSA proposals. Lewisham's ED consultants estimate that no more than 30% of the A&E caseload could be handled by a separate UCC.

Yet the promise that between 70-80% of existing patients could still be treated at Lewisham is crucial to the TSA's justification of focusing the cuts in services in an area of such high deprivation.

The outline Health Equalities Impact Assessment (HEIA) document published as an Appendix to the TSA Draft Report makes clear that Lewisham's 274,000 population has the highest birth rate in SE London, the highest level of disability, and a large black and ethnic minority population.

Yet the HEIA, compiled by management consultants Deloitte, avoids facing up to the 50% increase in journey times which Lewisham patients would face to access hospital care, and cites only abstract figures compiled at a moment of "no traffic". In other words a document apparently addressing health needs and inequalities winds up in practice, like the TSA report, ignoring the specifics of the population most affected by the cutbacks.

Could it work? Capacity

This report goes on to raise the wider question "Could it work?" and examines the capacity of alternative hospitals to absorb the extra caseload if Lewisham is cut back: it concludes that the fallout from axing Lewisham A&E would not just be felt in Bexley, Bromley and Greenwich, but would inevitably ripple across south London.

Hospitals (most notably QEH, PRUH and King's) that would have to take additional seriously ill patients are already struggling to deliver emergency services. London's acute services have already been pruned back to leave little slack, and the danger is that any gaps that are opened up in patient care will expose the lack of strategic planning and overview once Primary Care Trusts and NHS London are scrapped next April.

Clinical objections

Looking at clinical objections, the report summarises powerful letters written by Lewisham consultants from a range of specialist areas challenging the TSA proposals:

- Maternity
- Children's services
- Critical care
- A&E
- Medical services

Criticisms from local GPs are also summarised, showing a body of professional opinion opposed to the TSA's pans and concerned at their impact on patients, vital services and the training of new doctors and nursing staff.

Do the sums add up: the financial side

The report also looks at key aspects of the TSA plan from a financial point of view, questioning:

- The £56m cost of closing services at Lewisham
- The wisdom of closing beds
- The costs and implications of the smaller PFI at Lewisham Hospital
- The impact of the squeeze on the NHS tariff
- The cost of relying on temporary staff
- The viability of plans to reduce Average Length of Stay
- The TSA's call for unidentified savings
- The doubts over the viability of the proposed elective centre at Lewisham Hospital

How did we get to this? The countdown to chaos

The final section of the document "Countdown to chaos" takes a broader 20-year historical view of the factors underlying the development of the current financial crisis at South London Healthcare Trust.

It points out that both of the PFI hospitals in SLHT have been in serious financial problems from the time their new hospitals opened, and that this has already led to the rundown of Queen Mary's Hospital, Sidcup, and is now poised to undermine Lewisham Hospital.

The escalating level of intervention around PFI in the last two years – identifying 20 Trusts at risk, setting up a £1.5 billion bail-out fund, sending in "hit squads of accountants" and eventually sending in the Trust Special Administrator with a rigidly defined fast-track to cutbacks makes it very clear: the government is determined to bail out PFI. The cost can be counted in services, jobs and mounting inequalities of health as the cuts fall on the poorest.

They are keeping the PFI cancer alive – and sacrificing the patient.

John Lister December 2012