

HEALTH EMERGENCY

The Health Watchdog

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PRESS RELEASE

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London's hospitals face biggest cuts of all

London's NHS, which has admitted the need to cut **£5.1 billion** by 2017 has been singled out for the heaviest cuts of any area in England, according to new figures compiled by London Health Emergency from a survey of Strategic Health Authorities. Cuts planned for London average at almost **£700** for every man woman and child in the capital.

Seven of the ten English SHAs, with a combined population of 37 million, have now published estimates of the scale of savings they will need to make through cuts, closures, "decommissioning" of services and increased productivity in order to balance their books in the coming 5-7 years. (see table)

Together the published figures add up to a massive £15.1 billion. **But London alone is set to face a third of these cuts**, and average cuts per head in the capital are almost **double the England average**, more than three times the level of the least affected region (East Midlands), and 50% higher than the second hardest hit (West Midlands).

	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	

NHS London bosses have already admitted that up to a third of hospital beds in the capital – a massive 5,600 front-line beds from a total of 16,800 – could be forced to close under their drastic plans to balance the books, in some cases beginning later this year. **This could mean a dozen or more popular, busy hospitals being forced to close their doors and tens of thousands of the most seriously ill patients in the capital being obliged to travel much further to access hospital care.**

North East London has been the first of the five "sectors" of the capital's NHS to spell out detailed plans for cuts and closures to implement the NHS London proposals. 'Health for North East London', a consortium of the seven Primary Care Trusts which hold the purse strings for health care in Tower Hamlets, Newham, City & Hackney, Waltham Forest, Redbridge, Barking & Dagenham, and Havering, plans to **axe over 800 hospital beds** and slash more than **£500 million** from hospital budgets in North East London by 2017. (Pre consultation Business Case, at <http://www.healthfornel.nhs.uk/resources/publications/?entryid49=25452>)

The plans are set out in a 192-page “business case” and a consultation document: local people have until March to challenge the plans, which would also **divert 1 million outpatient appointments** and thousands of **A&E attendances** from existing hospitals to a new network of “polyclinics”, few of which have yet been planned or built.

More than half the beds to be axed in NE London (444) will be in the domed **King George’s Hospital** in Ilford, which will effectively close as a hospital and see land and buildings sold off. **140 beds** are to go in **Waltham Forest (Whipps Cross)** – and **230** in **Tower Hamlets, which** is set to suffer a “double whammy”, with hospital services to be squeezed at the very time the costly **£1.1 billion** rebuild of the Royal London Hospital under the Private Finance Initiative is due to come on stream.

The new Royal London hospital, together with Bart’s, was due to have 1,000 beds – at a staggering average cost of **£1million per bed**: but health bosses are now proposing to **axe 200 of these beds**, slashing the Trust’s potential income, while leaving it lumbered with an **inflated bill, beginning at £93m a year** for the use of the new building and support services under the PFI scheme – a total bill of **£5.3 billion** over 35 years (Treasury figures).

But it gets worse: if the consultation proposals are accepted, the Bart’s & London Trust would also face demands for “productivity” increases of **£210 million (32%** of its expenditure), as well as the prospect of a **3% per year reduction in the “tariff”** that determines how much it gets paid for patient care.

With soaring overheads and income sharply reduced, the Trust would be staring at bankruptcy: it would be forced to seek economies by **sacking doctors, nurses and support staff**.

The NE London business case proposal also looks to **cut up to 37% from nursing costs**, and up to **43% from spending on doctors**: Tower Hamlets PCT is expected to cut spending on hospital services by **£16m**, despite a rapid increase in population (13% by 2013) and the health problems arising from local deprivation.

But it’s not only hospitals under the cosh: the consultation calls for services in primary care, mental health and community services to be **put out to tender**, aiming to **slash £44m from spending in Tower Hamlets PCT alone** through cut-price contractors – threatening another huge cull of jobs in England’s third most deprived borough.

And **GPs and other primary care staff** will be expected to shoulder a large share of the work diverted from hospitals, and deliver services more cheaply.

LHE’s Information Director Dr John Lister said:

“London faces a decimation of health services – and has been singled out the biggest cuts in the country. We are not in favour of cutting front line health care anywhere, especially when it is clear how severe the consequences could be for local patients, and the thousands of health workers who could lose their jobs or face a massive increase in workload.

“While some sectors of the capital (SW London) appear to have opted to keep their plans under wraps until after the general election, they are all working to the NHS London targets, and all will be obliged to come up with plans similar to NE London.

“Plans like those we have already seen for the effective closure of acute services at **King George’s Hospital**, Ilford, **Chase Farm** in Enfield, and **Queen Mary’s Hospital**, Sidcup, and the downsizing of Islington’s **Whittington Hospital** will be followed by many similar cuts across London. Nowhere is safe from these reckless proposals.

“To make matters worse there is no evidence to show that many of the proposed efficiency measures could actually save money or improve services to patients. So the latest round of cuts may well prove not to be the last but the first of a series.

“This is a problem that will gnaw away at the support of whichever party wins the election, with a succession of high-profile and possibly chaotic changes and cutbacks in the NHS, tearing the heart out of the existing hospital network, and axing thousands of health workers’ jobs. If they want to save money, they should start by axing management consultants and some of the pointless layers of bureaucracy that flow from “World Class Commssioning.”

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NOTE TO EDITORS:

The ***On the Brink*** Report published by the BMA, which includes a full PCT by PCT analysis of the growing problems around the capital at the end of last year, is available:
http://www.bma.org.uk/images/onthebrinkreport2010_tcm41-193388.pdf