

To save the NHS, the government urgently needs to take control of the private companies delivering health and social care



The government should buy up the private hospital facilities that it needs at market value, and require all NHS consultants to commit their time solely to the pandemic response, rather than spending time doing non-urgent private work. Only in this way can the state ensure that healthcare is made available on the basis of need rather than ability to pay, writes [David Rowland](#).

Seven years before COVID-19 hit the UK, the CHPI [produced a report](#) arguing that a highly fragmented market-based health and social care system – such as the one which was created in England by the 2012 Health and Social Care Act – was incapable of responding to a pandemic. Any healthcare system which is designed around the principles of consumer choice and competition, and which seeks to eliminate all vestiges of ‘waste’ and inefficiency through using market forces, is fundamentally ill-suited to dealing with a sustained public health emergency. For not only is such a system designed to get rid of excess hospital capacity – which is now so badly needed to deal with the latest wave of the pandemic – but it also surrenders the control and co-ordination of state healthcare resources to the market. Crucially, such a system also hands over control to private companies who, while outwardly promoting the values of the NHS, are legally constituted to pursue their own financial interests above all else, even during a national disaster.

Although the NHS was once famed for its ‘command and control’ approach, since the 2012 Act it has lost direct control over a significant part of the health and social care infrastructure – a loss which it is feeling right now as it desperately attempts to corral all available resources to treat the rapidly growing numbers of COVID-19 patients. In the NHS in England, this loss of direct control can be seen in the fact that around [one pound in every five of the NHS budget](#) is now spent in the private sector. And rather than investing in NHS hospitals, since 2012 the government has boosted capital investment in private hospitals where [one in three NHS-funded hip operations now take place](#).

In social care, 84% of all care home beds in the UK [are now in private hands](#), a large number of which are registered in offshore tax havens and [which have been extracting profits](#) from the cash-strapped service even during the pandemic. Almost all of the vital home care services which are being delivered to older people are also run by thousands of private for-profit companies, with over [800 different ones providing care in just one local authority](#), making it all but impossible to monitor the spread of the disease by those care workers who can ill afford to self-isolate when needed.

This fragmentation and loss of control is having two consequences right now which can and must be addressed. First, the government is struggling to discharge patients from NHS hospitals quickly and safely enough to create space for the growing numbers of patients. Encouraging private businesses – such as care homes and home care providers – to rise to the challenge and to fit with the needs of local NHS trusts will always have its limits, unless it is in their financial and business interest to do so. What’s more, with care home companies struggling to get [insurance cover to accept any discharged hospital patients after the calamity](#) of the first wave, they are understandably reluctant to play ball, resulting in discharged NHS patients [being moved into unsuitable accommodation instead](#). Yet, during a national emergency and with many care home and home care [companies on the brink of financial collapse](#), the government can and should introduce emergency legislation to allow it to take direct control of this area of provision and ensure proper co-ordination of services between the NHS and social care – [a measure which was introduced by the Scottish Government](#) in the summer of 2020.

The government also desperately needs to use all doctors and healthcare facilities in the UK to provide urgent treatment to all those in need, [particularly cancer patients](#) who have had operations cancelled. And this includes the private hospitals which have facilities where urgent cancer surgery could be carried out. But the private hospital sector and the medical consultants who operate out of them are again inevitably putting their financial interests first, [despite the pleas of NHS Medical Directors in London](#) who have sought to shame them into stepping up. Rather than undertake urgent [NHS cancer care at a price which they consider to be too low](#), they have instead chosen to undertake routine, non-urgent operations on patients who pay privately, thus taking vital healthcare resources away from the pandemic response in the pursuit of profit.

Yet if it wasn't for the [£1billion which was given to the private hospital sector last year](#) in return for very little, many companies would almost certainly have gone bust. And it is important not to forget that unless the NHS gives permission to its [consultants to undertake private work in their 'spare time'](#), the entire private sector business model would fall over.

At this point in this national emergency, the NHS should not have to plead or bargain with the private hospital sector or its own consultants to deliver healthcare for the patients most in need, [nor should it be spending £10 billion over the next four](#) years buying operations from these companies at over-inflated prices as is currently the plan. Instead, it should immediately buy up the private hospital facilities that it needs at market value – [as happened in 2001](#) – and require all NHS consultants to commit their time solely to the pandemic response, rather than spending time doing non-urgent private work. Only in this way can the state ensure that healthcare is made available on the basis of need rather than ability to pay.

In the [2017 election manifesto](#), the Conservatives tacitly acknowledged that the experiment in market driven healthcare had failed. The pandemic has exposed the full extent of this failure and shown the need for urgent state intervention to take back control from those market actors whose primary interests lie in the bottom line.

About the Author



David Rowland is the Director of the Centre for Health and the Public Interest. Prior to this he worked within healthcare professional regulation in the UK as the Head of Policy at three national regulators and has developed significant expertise in social care policy, NHS workforce issues, regulation, safeguarding, whistleblowing and patient safety.

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