



Members of Parliament - what you can do

- Back We Own It's call for a fourth "big shift" in the NHS, from private to public
- Write to Wes Streeting and encourage him to make ending NHS outsourcing a top priority in the 10-year plan for the NHS.
- Meet with We Own It briefly on a day and time that works for you soon to discuss NHS outsourcing and how it affects your constituency.

Contact We Own It by emailing info@weownit.org.uk

NHS policy briefing

A fourth "big shift" in the NHS: from private to public

The NHS was founded in 1948 to provide healthcare to all, regardless of income and wealth. The health service is now on its knees with millions waiting for care and hundreds of thousands forced to pay for care in the private sector. **Members of parliament have an opportunity to demand the government reverse the damage and rebuild our NHS.**

Lord Darzi's recent review of the state of the NHS [1], declared the Health and Social Care Act of 2012 "a calamity without international precedent". We Own It analysis found that the law led to over 72,000 outsourcing contracts, worth over £130 billion. **Our research found that the NHS lost £10 million a week to private profits as a result.**

Health Secretary Wes Streeting has promised to bring about "three big shifts" in the NHS (from hospital to community, analogue to digital and sickness to prevention). He must learn from past mistakes and fully reverse the impact of the 2012 Act. **Patients therefore need a fourth big shift, from private to public.**

NHS patients reject a move toward US-style profit-driven healthcare that results in 45,000 deaths per year [2] and half a million bankruptcies yearly [3]. According to the latest YouGov poll [4], 87% of the British public say they want the NHS reinstated as the fully public service it was founded to be.

This briefing will cover: (a) new We Own It research showing the NHS loses £10 million a week to private profits - **pg 1**, (b) why outsourcing is harmful to patients - **pg 2**, (c) evidence that the government understands that outsourcing is bad for patients - **pg 3**, and (d) what patients want: a shift from private to public - **pg 3**.

A. RESEARCH: £10 MILLION A WEEK LOST TO PRIVATE PROFITS

We Own It analysed [5] over 72,000 NHS outsourcing contracts given out by NHS bodies at the national, regional and local levels between January 1st 2012 and May 31st 2024, worth a total of over £130 billion.

Our analysis found that private firms made an estimated average of 5.18% in profits from NHS contracts for outsourced services. In other words, £6.7 billion, or £10 million per week over the relevant period, of the total value of all the contracts was lost to profits.

For example, private equity firm, Bridgepoint, received contracts worth a total of £3.2 billion to provide a range of services, from urgent treatment centres in Southampton to Musculoskeletal therapy in Lincolnshire. They are estimated to have had an 8.7% profit margin, or £278.8 million, from those contracts.

Our analysis found that out of the £6.7 billion total profits that have left the NHS, £5.2 billion, or around £7.8 million per week, were from contracts for services that the NHS can perform, such as surgeries, tests, musculoskeletal therapy, cleaning, catering, security, patient transport, etc. That is, services that can, relatively easily, be brought back in-house.

B. WHY THE GOVERNMENT SHOULD END NHS OUTSOURCING

1. The NHS can treat more patients by ending outsourcing: £10 million a week (or even just the £7.8 million a week lost from service contracts), could fund building one new operating theatre in the NHS every week to treat 100 extra patients per week. [6] Using private hospitals will not make a real impact on NHS waiting lists because they depend on the same pool of doctors trained at huge public expense. [7] In a survey by the British Medical Association, 83% of doctors cite outsourcing of surgeries as significantly undermining the “availability of NHS staff”. [8]

2. Outsourcing undermines the quality of patient care in the NHS: Outsourcing undermines the NHS’s ability to provide high-quality care within the NHS. Research from the Centre for Health and the Public Interest [9] shows that outsourcing cataract operations has undermined the resources available to treat other eye conditions, like as glaucoma and macular degeneration, within the NHS. Outsourcing (especially of surgeries) also undermines continuity of care, with over 550 patients transferred from private hospitals into NHS hospitals every month. This has led to patient deaths. [10]

3. Privatisation is linked to deaths: A 2022 Oxford University research also showed that outsourcing the simplest and most profitable NHS work reduces resources available for work in the NHS and leads to a worsening of the quality of patient care inside the NHS - leading to the “treatable” deaths of 557 people. [11]

4. Outsourcing harms patients: There are also several cases of outsourcing harming patients in ways that seem to be caused by the pursuit of profit. Sciensus, a company that has contracts to deliver medications to around 200,000 cancer and diabetes patients missed or delayed almost 10,000 medicine deliveries. Also, a cancer patient died and three others were hospitalised after they were administered unlicensed versions of chemotherapy. [12][13] There are similar examples in privately delivered services across the NHS.

5. Privatised hospital cleaning leads to infections: While private cleaning services for NHS hospitals appear cheaper on paper, studies show they lead to more hospital-acquired infections than when the job is done by in-house NHS cleaning staff. [14] The NHS spends around £1 billion a year treating people with infections they contracted while visiting NHS hospitals.

6. Outsourced hospital catering linked to poor health outcomes: The British Medical Journal has cited evidence linking the outsourcing of NHS hospital catering services to poor

health outcomes. In 2019, some patients in Manchester and Liverpool died because they were exposed to listeria in pre-packaged sandwiches provided by a private catering company.[15]

C. LABOUR UNDERSTANDS THE NEED TO END OUTSOURCING

Labour in opposition was very clear about their mission of ending NHS outsourcing.

Rachel Reeves pledged that “**under Keir Starmer’s Labour government we will see the biggest wave of insourcing of public services for a generation**” [16]. Health Secretary **Wes Streeting**, concurred, saying “Rachel Reeves talks a lot about radical insourcing and I’d like to see some of that because I think we are paying over the odds for some services, including in the NHS”. [17]

Additionally, the NHS section of the **Labour Party’s 2023 National Policy Forum** document pledged to “end the reliance on outsourcing and cronyism that saw our public services weakened in the face of the Covid-19 pandemic.” [18]

D. PATIENTS WANT A BIG SHIFT FROM PRIVATE TO PUBLIC

Without refocusing the NHS on patients, rather than profit, Labour’s three big shifts could result in yet more NHS money being sucked out into private shareholder pockets and more harm to patients. **Therefore, patients need a fourth big shift: from private to public.** The government needs to commit to ending the outsourcing of clinical and non-clinical services for the NHS.

THE FOURTH BIG SHIFT: FROM PRIVATE TO PUBLIC

The government should bring forward secondary legislation to mandate NHS commissioners at the national, regional and local levels to:

- **Bring all currently outsourced services back into the NHS at the end of their contracts, just like Labour is doing in the railway. We Own It research shows that 94% of contracts for outsourced NHS services are expiring within this parliament.[19]**
- **Ban all new outsourcing of NHS services, and support NHS bodies, such as NHS Trusts and Foundation Trusts, to build up their in-house capacity to take on currently outsourced services when their contracts end.**

CONCLUSION

After 14 years of the systematic expanding profit-taking in the NHS, MPs have a historic opportunity, with the 10-year plan for the NHS, to demand the government lay out a long-term, sustainable plan to build an NHS that works first and foremost for patients, not private shareholders.

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