

Greater Manchester NHS Facing a Bleak Future

Health campaigners in Greater Manchester want to know how the Integrated Care Board (ICB) will protect NHS services and staff in the face of a massive financial deficit. The petition calls on the ICB and the Integrated Care Partnership (ICP) (the body which involves local authorities and providers and advises on strategy) to support the KONP demand to restore and rebuild the People's NHS. It also wants them to be honest about the impact of the deficit on NHS services.

At the end of March the deficit stood at £180m. But the budget submitted to NHS England (NHSE) for 2024/25 shows an even greater problem: £298m deficit in revenue expenditure and over £125m for capital – which it is known that NHSE will not accept, so there will be further negotiations to get a 'compliant' budget by early May. Meanwhile NHS buildings are literally crumbling, with necessary maintenance – including to replace RAAC roofs in at least two major hospitals – constantly deferred. Private management consultants, PricewaterhouseCoopers and a national 'turnaround' director have been brought in by NHSE to oversee the work on Greater Manchester ICS' finances – at what cost? And what about the supposed autonomy which devolution was supposed to bring?

Responses to Freedom of Information requests have provided complex information about cost improvement, efficiency, challenges, mitigations, 'grip and control', but no clarity about what that really means for services and for staff. Although they have said that "Any proposed changes to patient services as a result of the financial position are subject to a quality and equality impact assessment, and where applicable public consultation", the promised 'public engagement exercise' has not yet started.

For 2024/25, Greater Manchester will get an allocation from NHS England of £7.2 billion. This includes growth funding of £241.2m to cover inflation, demographic/population growth, increased demand for services, investment in mental health services and in the Better Care Fund (for social care). But giving with one hand is offset by taking away £60.7m with the other – as Greater Manchester is deemed to have had more than its 'target' allocation based on population needs, despite having some of the most deprived areas in the country. That allocation also assumes that Cost Improvement Plans (CIP) will 'save' £103m and that 'slippage' a further £42m. Slippage is likely to affect longer term strategy and prevention programmes. These are cuts by any other name.

One proposal which campaigners do welcome is to reduce the dependency on the private health care sector. A substantial part of this is the use of 'out of area placements', mainly for mental health beds for people with individual packages of care, as the providers are largely profit-making private companies, with a budget of £227m in 2024/25. But without substantial investment in services within Greater Manchester it's hard to see how that will be achieved.

The future of NHS services cannot be separated from plans for the health workforce. The ICB itself is having to reduce its running costs by 30% by 2025/26. Experienced staff have already been made redundant, which must affect the capability to commission services effectively. Within the NHS Trust providers, it is assumed there will be no growth in the workforce, and indeed overall the workforce will reduce. Yet there is also a commitment to shift from using expensive agency staff to cover the thousands of vacancies. How will they do that with a shrinking, poorly paid workforce? No wonder staff have been forced to go on strike.

Given that spending on staff is the major cost for NHS Trusts, it's ominous that "cash flow remains a material risk for the GM system" and that several providers will need to take out loans to manage their financial obligations. They already have the long term PFI debts to cover,

accounting for about 3% of their total expenditure. Saddling NHS providers with more debt cannot be sensible.

Financial jargon and bland assurances cannot cover up the bleak future facing the NHS. The effect of deliberate underfunding and undermining of the NHS by the government is becoming more and more clear. Investment in services, staff, buildings is urgently needed if the NHS is to survive as a publicly funded, publicly provided service which is free of charge to all who need it.

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