

Review of:

Confuse and Conceal: The NHS and Independent Sector Treatment Centres

Stewart Player and Colin Leys, Merlin Press, 128 pages, ISBN 9780850366099, £10.95.

in *The Spokesman*, No 99, 2008, Russell Press, Nottingham ISBN 9780851247533

This is an excellent and important book, which should be widely read. It exposes how a succession of New Labour Health Ministers, advisers, senior civil servants and staff recruited from the private sector operated in the Department of Health to restructure the private health care sector with a network of Independent Sector Treatment Centres (ISTCs). Equally important, it chronicles the failure of scrutiny. The House of Commons Health Committee failed to investigate the real aims of the ISTC programme or to challenge the Department of Health when it refused to provide financial information.

The ISTC saga is clearly set out in three parts. The first part explains the launch of the ISTC programme and the first wave contracting process, which led to nine private healthcare companies being allocated 1.3m procedures over five years. By June 2007 twenty-four ISTCs were operational although some centres in the second wave of the £5.6bn programme may now not proceed.

ISTCs were presented primarily as using resources in the private healthcare sector to shorten waiting lists for elective surgery and diagnostic tests and to introduce greater choice. But the underlying aim was also to empower the private sector and to develop a NHS market. At least a quarter of the work carried out by first wave ISTCs was not additional work but 'transferred activity' which would otherwise have been carried out by the NHS.

Since the book was published more evidence has emerged to support the Player and Leys analysis. Department of Health figures for ISTC Phase 1 centres show that only four centres were working at 100% of the value of the contract and four had under 60% contract utilisation (end of September 2007). Yet these ISTCs were given guaranteed contracts requiring the government to pay the full cost irrespective of how many patients are treated.

The second part examines the House of Commons Health Committee's investigation of ISTCs in 2006. This highlights many important issues, at least four with wider relevance.

Firstly, New Labour's public sector transformation strategy requires the mainstreaming of commissioning and the creation of contestable markets. The ISTC programme highlights the sham of devolution and local control. Primary Care Trusts ostensibly contracted with ISTCs but the programme was centrally controlled. Democratic accountability has been virtually non-existent.

Secondly, the use of 'commercial confidentiality' to block disclosure of financial and performance information severely limits the degree of scrutiny. 'Commercial confidentiality' is widely used to limit the transparency of Public Private Partnerships and will become commonplace as commissioning leads to more outsourcing. So how can there be any meaningful 'community engagement' if the public, community organisations and trade unions are denied access to information on policies and performance?

Thirdly, it demonstrates that Key Performance Indicators (KPIs), value for money and quality and contract monitoring will be marginalised by the market making activities and partnership with private health care companies. Most of the KPIs were process and not outcome indicators. It appears that there was never any attempt to assess the impact of the ISTC programme other than the extent to which it contributed to the development of an NHS market.

Finally, the ISTC programme is classic 'partnership' in which public service principles and values are made subservient to commercial interests.

There is only one criticism. The analysis of the development of the NHS market in Chapter 3 would have benefited from placing it in the context of what is happening across the public sector. Player and Leys do an excellent job in showing how Health Ministers and the Department of Health planned to marketise healthcare and the extent they will go to manipulate and conceal the real use of public assets and resources. Other government departments, local authorities and public bodies are undertaking similar market making strategies in the rest of the public sector and welfare state. Sector studies, for example in health, education, housing and criminal justice play a key role in building an evidence base. However, there is an obligation to set each of these studies in the wider context so that common impacts can be identified, lessons learnt and alternative policies and strategies devised.

Those who believed that there would be a change of policy under Brown have been proved right – the drive to marketisation and privatisation has intensified! The words 'lies' and 'deceit' would be more accurate in the title of the book reflecting the depths to which markets and neoliberal ideology drives political ambition and greed.

Dexter Whitfield, Director, European Services Strategy Unit and Adjunct Associate Professor, Australian Institute for Social Research, University of Adelaide and author of *New Labour's Attack on Public Services*.