

ICB and Trust Spending Databases

The Health and Care Act 2022 was sometimes described as “ending privatisation in the NHS”, because it removed the requirement for compulsory competitive tendering of clinical services. But what is the reality, a year after the Act began operating?

Since July 2022 the NHS in England is divided into 42 regionally-based Integrated Care Systems (ICSs), each managed by an Integrated Care Board (ICB). Each ICB has its own budget, with money delegated from Government via NHS England. The ICB uses its budget to provide funding for NHS contracts and services across the ICS.

You might ask some basic questions:

- Which private companies are getting contracts from the ICB where I live?
- Which private companies are getting contracts from any ICB?
- How much are ICBs spending on these contracts?
- What is the track record of these companies and their parents in the UK and US?
- Which US-owned companies are now active in the NHS through ICB contracts?
- Which companies are being fast-tracked for ICB contracts?
- What types of companies are getting ICB contracts?

The ICB database introduced below gives tools to help with such questions. The Trust database concerns similar questions for the individual Trusts and Foundation Trusts within an ICS region. Because the Trusts are themselves funded by the ICB, their spending on private companies is another route by which ICB budgets flow to the private sector.

Before we look at the databases, why does any of this matter?

So what?

Paul Evans highlighted the [key arguments](#) in an article for Health Campaigns Together.

1. The NHS is open to all patients, whereas private companies will restrict access to protect profits and abandon NHS contracts when their profits fall, leaving the NHS to pick up the pieces.
2. Public funds spent with private companies flow out of the NHS and lead to underinvestment in the NHS staff and equipment.
3. Studies show that outsourcing is associated with lower quality care and poorer access and can be unsafe. Some companies are still contracted despite their poor track record.
4. Staff terms and conditions are less protected, continuity of care is more difficult, and outsourcing offers the public care that is less accountable and poorer value.
5. Overall, the evidence shows that the NHS provides better value and fuller access to high-quality care.

Who cares?

Conservative politicians consistently claim they would 'never privatise the NHS' knowing how sensitive an issue this is for the public. However, Matt Hancock when Secretary of State for Health went from saying there would be no privatisation on his watch, to lauding the role of the private sector during Covid despite its obvious failings. He also muddied the water by suggesting that the successful roll out of vaccines by GPs was an example of the private sector in action!

In a survey of public opinion from November last year (based on a 6 monthly, randomised and stratified sample of around 2000 people), just 8% of people in England thought the government had the right policies for the NHS, but 90% wanted care free at the time of delivery, 80% comprehensive services, 84% funding to be through taxation, and 82% more funding for NHS (63% Con voters, 94% Lab). The 2012 Health and Social Care Act, however, was based around the incorrect notion that "*the injection of the private sector into the NHS will stimulate market competition to deliver lower costs, greater innovation, increased quality, and greater responsiveness to patients*". The 2022 Health and Care Act facilitated greater entry of the private sector into health care. Sadly, Labour is now also promoting increased private sector involvement despite the obvious arguments against this approach.

What is privatisation?

The broad answer was set out clearly by Clive Peedell (a hospital consultant in the North East and founder of the National Health Action Party) in the British Medical Journal. The World Health Organization (which advocates for universal publicly provided health care) defines privatisation as "*a process in which non-governmental actors become increasingly involved in the financing and/or provision of healthcare services*". This means that services delivered by private and third sector (voluntary and community) organisations, are part of the privatisation process. The government's attempt to deny the reality of NHS privatisation by claiming that services will remain publicly funded and free at the point of delivery sidesteps the WHO definition.

There are at least five types of privatisation:

- divestiture or outright sale, in which the state hands public assets to private owners
- franchising or contracting out to private, for profit, or not-for-profit providers
- self-management, in which providers are given autonomy to generate and spend resources
- market liberalisation or deregulation to actively promote growth of the private health sector through incentives
- withdrawal from state provision, in which the private sector grows rapidly as government fails to meet the healthcare demands of the people.

All of these were promoted by the Health and Social Care Act 2012.

John Lister has provided a detailed history of privatisation in a series of articles published in The Lowdown, and has recently commented on the latest plans to use the private sector for elective recovery.

How much of the NHS has been privatised?

According to the King's Fund health think tank "*it is difficult to determine how much the NHS spends each year on the private sector.*" The government claims that only 7% of NHS spending goes to the independent sector ('non-NHS bodies'). David Rowland from the Centre for Health and the Public Interest analysed data in the Department of Health and Social Care (DHSC) accounts and annual report from 2018/19, and highlighted inconsistencies in the government's version:

- the government was unable to provide Parliament with a definition of the 'independent sector' for the purposes of these accounts
- payments to Local Authorities made for commissioning services from private sector providers are not counted
- some private hospitals are 'not for profit' or registered as charities and also not counted
- providers such as Spec Savers and Boots are not categorised as part of the independent sector
- Not all of the DHSC budget is spent on the NHS. Dividing the private spending by the DHSC total underestimates the private portion of the NHS pie.

Rowland concluded that in 2018/19, 26% of NHS budget went to the independent sector (around 22% if excluding doctors/dentists). He wrote: "*Our earlier research estimated that there were around 53,000 individual contracts which underpin flow of money between the NHS and the independent sector. We now estimate that these 53,000 contracts are worth £29 billion each year*". That figure may now be out-of-date. The current overall NHS budget routed via NHS England is [£155.4bn](#).

Evidence from Cheshire and Merseyside suggests around 26% of ICB spending ends up with the private sector. For North East London, it's 35%. Barts Hospital alone spent £684m on 363 private companies from July 2022 to June 2023, on wide-ranging topics including private healthcare (e.g. Circle £1.1m, DMC £1.5m) and more. Barts' top recipients were:

- Capital Hospitals Ltd (£205m): PFI facilities management, equipment replacement
- Serco Ltd (£79m): facilities management
- Pulse Healthcare (£64m): agency staff
- Lloyds Pharmacy (£35m): pharmacy management
- Roche Diagnostics (£22m): Blood Transfusion Lab blood products
- Inivos (£17m): Theatre unit and ITU
- SPS UK&I (£12m): patient transport
- Roche Products (£12m): pharmacy stock
- Healthcare Support (Newham) (£11m): PFI
- Cerner (£10m): Electronic Patient Records
- EDF Energy (£9m): Energy and utilities
- Forest Gate Construction (£7m): construction projects
- Baxter Healthcare (£7m): Dialysis, pharmacy stock
- GB Contract Services (£7m): construction / upgrades
- Softcat Ltd (£7m): ICT, Security, e-rostering
- Total Gas & Power (£6m): Energy & utilities
- Chrystal Consulting (£6m): Microbiology, Biochem, testing

Finding the facts

Health campaigners need to know how to access information about outsourcing in their area. This is not confined to direct patient care, but includes many ancillary services as well as management functions in Integrated Care Systems (ICS) and employment of consultancy services with potentially far-reaching implications. EveryDoctor has developed a map showing where the private sector is providing services, recently updated to include a list of MPs receiving financial support from health care companies.

The KONP Integrated Care System Working Group has now developed databases linking four sources of public information.

- the monthly Spending Reports of Integrated Care Boards and selected Trusts and Foundation Trusts, on expenditure over £25k
- the NHS for Sale website, a project of the NHS Support Federation. The website includes history and overview of key companies active in the NHS, including their political connections and misdeeds.
- the 'Violation Tracker' (US) and Violation Tracker UK, with public information about companies and their corporate parents concerning a wide range of lawbreaking in the US and UK.
- the Health Systems Support Framework, an NHS England scheme to accredit suppliers so they can be fast-tracked to ICB and other health-related public contracts, setting out the particular topics under which they are authorised to bid.

The spending reports now cover the period July 2022 (when ICBs began operating) through to June 2023, although some data is incomplete. For now, the Trust database is limited to Cheshire & Merseyside and North East London. We hope these local examples will help campaigners in other areas find out more about contracts in their own ICS and will provide further data on spending. Over time, it may be possible to see how ICB and Trust spending patterns are changing.

GPs and local pharmacies. ICBs are responsible for (most) contracts with GPs. Although GPs are technically private contractors, they have always been considered a part of the NHS family, their main motive is the health and welfare of patients, not profit, so we haven't included individual GPs or small groupings as part of the private spend.

NHS hospital, community and mental health trusts. Each ICB delegates most of its funding to the NHS trusts and provider collaboratives – the major hospitals, community and mental health trusts with responsibility for services in the area. These, in turn, contract with a wide range of NHS and other public, voluntary and private sector organisations to run some of their services – including both clinical, managerial, technical etc services.

Beyond the ICBs and the Trusts / FTs they fund, NHS England has its own private contracts – such as the Federated Data Platform – as does the Department of Health and Social Care – such as Test & Trace or PPE. These are not included in the KONP databases.

The recent Liverpool event NHS Crisis: Who Profits? included several talks which relate to NHS databases. Dr Martin Blanchard spoke on What's happening to our healthcare data?, highlighting the role of 'digital transformation' and patient data in redesigning the NHS.

ICBs will rely on data for their redesign, their functioning, and their innovations. Data and algorithms will be used to automate, gain insights, target high risk patients, optimise the care provided, and our self-care in terms of costs and outcomes, and the system is expected to continuously learn and improve [year on year](#). Private companies are central to the plans.

US corporation Oracle paid 28 billion USD for the purchase of Cerner, a health care record and analytics corporation. Billionaire Safra Catz, Chief Executive of Oracle, [said about the purchase](#): 'Healthcare is the largest and most important niche goods and services (aka vertical) market in the world — 3.8 trillion USD last year in the United States alone. Cerner will be a huge additional revenue growth engine for years to come as we expand its business into many more countries throughout the world'. Cerner has contracts with the ICBs for Hampshire & Isle of Wight, North Central London, and North East London, and for at least three Trusts: Countess of Chester, Homerton Hospital, and Barts.

[ICBs and privatisation](#) outlined the role and track record of various other companies and consultancies (using data as of February 2023). This includes the impending merger of EMIS Health (formerly Egton Medical Information Systems, now with 30 ICB contracts) and the largest US healthcare corporation UnitedHealth, via its subsidiary Optum (now with 19 ICB contracts). The ViolationTracker shows 366 violations by UnitedHealth.

[California is suing pharmaceutical companies and Pharmacy Benefit Managers](#) including Optum, for collaborating to rig the prices of Insulin, making the drug unaffordable for many. Last year, [Arkansas sued the same firms](#), alleging a conspiracy so that Insulins which cost \$2 to produce, now sell for \$300 - \$700. The Health Systems Support Framework accredits Optum for 17 topics, including Shared or Integrated Care Records. This involves "sharing structured medications data across all care settings for a variety of uses such as population health management, risk stratification, patient assessment, medications reconciliation, and decision support."

The fact that US states are suing Optum for price-fixing drugs in tandem with big pharma does not stop NHS England accrediting Optum to develop strategy and support for sharing UK patients' medications data. The EMIS merger will give UnitedHealth subsidiaries access to patient data in almost every ICB.

Getting started

To open the databases and explore them:

ICB spending

<https://konpics-icb.fly.dev>

Trust spending

<https://konpics-trust.fly.dev>

See here for a [step-by-step guide to navigating the databases](#).

KONP groups are strongly urged to use the databases to investigate outsourcing in their local ICS and use the findings to ask questions of the IC Board and raise issues with the public.