



# PRESS RELEASE

## UNION ATTACKS NHS TRUST OVER PFI

Cumbria's biggest general trade union has today questioned the competence of the Board and Top Management at an NHS Trust in the region.

North Cumbria University Hospitals NHS Trust revealed in February that it could merge or seek acquisition with an existing NHS Foundation Trust. At the time the trust said it could not achieve status as a foundation trust alone, within the required timescales. The Trust said that this was a consequence of the Coalition Government's White Paper which requires all NHS trusts to become Foundation Trusts by 2013/14.

The trust also said it faced long-standing financial pressures caused by providing a full range of services across both the Cumberland Infirmary, which is a PFI scheme, and West Cumberland Hospital.

Kevin Young GMB Regional Organiser at the Trust said:

"This goes to show how PFI has been used over the years as a creative accounting exercise to fund public services. However PFI schemes have been shown to provide poor value for money, gives revenue to companies who have little or no stake in the local community and puts the stress of repayments on to future taxpayers over as much as 30 years into the future".

The GMB said that its experience of PFI was that jobs were externalised into the private sector and over time companies looked to reduce terms and conditions as they sought to cut their bottom line to boost shareholder value. The Union also said that in other countries the measure of General Government Financial Debt had made similar PFI projects unviable and this should have been the approach of policy makers in the UK.

Mr. Young said:

"If the banking crisis has called into account how Executive greed left unchecked brings the market into disrepute. Equally PFI is now synonymous with funny money and once again the livelihoods of future generations being mortgaged up to the hilt on the backs of current day creative accounting. We would contrast PFI with properly funded capital projects such as Building Schools for the Future".

"The Trust have caused problem after problem for themselves. They have failed to manage and have an in built attitude to failure and reward going hand in hand".

The GMB said that any attempt to erode its members' terms and conditions over the Trust's failure of financial controls would not be tolerated.

**-ENDS-**

