Funding the Future

Time to end PFI by compulsory repurchase

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The Bureau of Investigative Journalism reports this morning that:

As crippling repayments on private finance initiative (PFI) contracts force NHS hospitals to make cuts, a new report reveals that the firms profiting from the deals are using tax havens to avoid paying millions of pounds in tax.

A report by the European Services Strategy Unit, and covered in the Sunday Times, reveals that as many as 70 NHS PFI projects are based off-shore.

I contributed in small part to the Sunday Times story to which this is linked. And the fact is that this trend will continue: NHS sell offs from Foundation Trust are going to become normal. As budgets are squeezed asset sales and leasebacks will become prevalent as a means of filling the gap and then one day we'll realise the whole NHS infrastructure is owned offshore as a means of taxing the economy for the benefit of a few.

I've said this before that this is equivalent to the 18th century enclosure movement, where the commons were seized and walled off from those who had a traditional right to access them to create a new land based wealth for an elite. Now I'll say it again: this is about selling a common good for private gain and as Allyson Pollock has argued time and again, we'll long live to regret it.

My answer? Compulsory repurchase at undeveloped land value paid with gilts that are not saleable for a significant period. And if that seems harsh, so be it: this is about reclaiming the common good from those who have sought to destroy it.