**Budget Submission 2017**

**Summary**

Cancer Research UK is the world’s leading cancer charity dedicated to saving lives through research into preventing, diagnosing and treating cancer. One in two people will be diagnosed with cancer at some point in their lives. Currently, half of those people will survive. Our ambition is to accelerate progress and see three in four people with cancer surviving the disease by 2034. In 2016/17, we spent £432 million on research across the UK. We receive no funding from the Government for our research and rely on the generosity of the public.

The UK is a world-leader in scientific research and this reputation and ability must be maintained. The Government should take forward recommendations in the Life Sciences Industrial Strategy, in particular the early detection initiative as part of the Health Advanced Research Programme, and agree an ambitious sector deal that will build on our status as a global leader in the life sciences. The Government’s focus on science and research in the Industrial Strategy, including additional investment for R&D, is welcome. Whilst additional investment in innovation is vital, the UK must also continue to support the underpinning research taking place in our universities. A proportion of Government’s new investment in science should support quality-related (QR) research in UK universities and charity investment in these institutions in order to maximise the impact of this investment by attracting charity and industry investment in UK research.

**Delivery of the NHS Cancer Strategy**, a strategy Cancer Research UK played a leading role in developing, has the potential to improve outcomes and experience for thousands of patients across England. Progress has been made in the last two years, but achieving world class cancer outcomes will fail if we do not address:

- **Ongoing and worsening shortages of workforce, particularly the workforce involved in delivering diagnostic tests**
- **Reducing demand on the NHS caused by preventable risk factors like smoking**

**Workforce shortages must be addressed**: we urge the Government to ensure that the review of the cancer workforce is thorough and fully funded, setting out actions that will be taken by the end of the financial year to immediately address shortages, in addition to longer term planning to bolster the workforce and ensure it is fit for the future. There should also be tracking and transparency of the additional ‘up to £300 million’ investment for more diagnostic testing announced in September 2015 by the Department of Health, as it is essential to ensure it has had an impact. It is not clear that the funding has been directly used by CCGs to increase their diagnostic capacity.

We welcome the publication of the Tobacco Control Plan for England. However, with the shift in resources - from public health, health education and capital budgets, as a result of a reduction in local authority budgets - we are concerned that the ambition of a smokefree generation is unachievable. Reducing funds for services targeted at preventing ill health is a false economy; investment in these services brings money back into the system and will ensure the future sustainability of the NHS. Cancer Research UK believes it is imperative for Government to find a sustainable solution for public health and smoking cessation services. In the immediate term the Government should halt cuts to the Public Health Grant.

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Supporting the UK’s world-class research base

We support the recently published Life Sciences Industrial Strategy and its ambition to enhance and grow the UK life sciences sector. As the strategy makes clear, a thriving life sciences sector not only benefits the UK economy but will also improve patient outcomes and NHS sustainability. It is imperative that the Government agrees an ambitious sector deal to support implementation of the strategy.

There are a number of key recommendations that we would like to see Government take forward as a priority in a sector deal:

- Health Advanced Research Programme (HARP): We support the flagship recommendation to create HARP - where charities, industry, NHS and government collaborate to fund high risk projects with the potential to transform healthcare over the next 20 years. Within this we are particularly supportive of the proposal to create a platform for early detection of disease. This has the potential to make the UK a world leader in the development and evaluation of early diagnostic technology and would bring substantial new inward investment.

- Funding: We support the recommendation to reinforce the UK science offer by enhancing the Charity Research Support Fund – this could be achieved within the existing commitment to increased investment in R&D. We also support the vision to increase the proportion of GDP spend on R&D to 2.6% by 2023 - alongside the Government’s broader ambition to achieve 3% in the longer term - increasing basic science funding and NIHR funding. Further detail on these aspects are below.

We welcome Government’s intention to strengthen the global standing of UK research and its commitment to increase the science budget by £2 billion a year by 2020vi. To achieve broader ambitions to increase the proportion of GDP spend on science, the Government should publish a roadmap for how this will be achieved. This roadmap should include measures to effectively market UK science globally and strengthen our research collaborations internationally.

It is vital that a proportion of Government’s new investment in science supports underpinning quality-related (QR) research funding in UK universities as well as response-mode funding. By investing in science through the dual support system Government leverages additional investment from charities and industry, generating further scientific and economic growth. For every £1 spent by the Government on R&D, private sector R&D output rises by 20p per year in perpetuityvii.

QR funding is a crucial component of the dual funding system, sustaining the excellence of our science base. To adequately support charity investment in universities Government must increase the charity-support element of QR funding, the Charity Research Support Fund in England, in line with inflation since 2010 to £249 million for 2018/19, rising to £264 million by 2020/21. It should also provide long-term confidence in its support for charity investment by committing to increase this fund each year in line with inflation and in response to changes in charity investment. This commitment should be continued by HEFCE’s successor organisation, Research England.

In its Five Year Forward View (FYFV) NHS Englandviii stated an intention to improve its ability to undertake research and apply innovation. To achieve this, Government must continue to invest in clinical research infrastructure through the National Institute of Health Research and maintain this budget in real terms. The UK excels in recruiting cancer patients to clinical trials because of this infrastructure, which provides the foundations on which academia and industry can invest.

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Realising the ambition of the cancer strategy

We are acutely aware of the scale of the financial challenge facing the NHS. However, our cancer survival currently lags behind comparable countries and world-class cancer outcomes cannot be achieved without investment. Measures in the NHS Cancer Strategy, if fully implemented, will prevent more cancers and ensure England can deliver world-class cancer services and radically improve patient outcomes. In addition, this would pave the way towards a more sustainable NHS.

Prevention

Tobacco Control
Tobacco use remains the UK’s single greatest cause of preventable illness and avoidable death, with 100,000 people dying each year from smoking-related diseases, including cancer. As stated in the Tobacco Control Plan for England, tobacco use presents a huge financial burden costing the economy £11 billion per annum.

We welcome the recent publication of the Tobacco Control Plan and its ambition to reach a smokefree generation. We would like to see a commitment to reach this ambition, where less than 5% of the population smoke, by 2035 across all socioeconomic groups. We urge the Government to set out how it will implement the Plan and clarify the necessary funding. We are concerned that the ambitions in the Plan will not be achieved without adequate funding for public health. Funding is needed to support Local Authorities to deliver Stop Smoking Services (identified as a priority in the Plan) to standards consistent with NICE guidance. Research from ASH and Cancer Research UK show Stop Smoking Services – which give smokers the best chance of quitting – have been scaled back or decommissioned in around 60% of local authorities. The top reason they give for this is cuts to the Public Health Grant.

There is currently no plan to fund public health at a local authority level once the Public Health Grant is removed in 2020/2021 – we want the Government to set their plans for this immediately. One option is for the tobacco industry to make a significant contribution towards tobacco control services through extra revenue raised by a levy or hypothecated tax, in line with the principle advanced by the Soft Drinks Industry Levy.

We also recommend an increase on the annual tobacco duty escalator on cigarettes from 2% to 5% above inflation. Unpublished research from Cancer Research UK and the UK Health Forum reaffirm the economic benefits this change could bring – avoiding around £240m in health and societal costs of smoking annually from 2035, and 75,200 cases of prevalent diseases over a 20-year period (calculated as 2015-2035). In just a decade (calculated as 2015-2025), the change alone could decrease smoking prevalence by an additional 1.95% and 1.62% for adult male and female smokers respectively.

A substantial body of evidence shows that increasing the tax and price of tobacco products is the most consistently effective tool for reducing their use. To this end, we are pleased the Government has begun to address the price differential between tobacco products. To achieve parity, we would like to see the Government further increase the tax escalator on hand-rolled tobacco (HRT) until it is equivalent with the tax on cigarettes, and to introduce a Minimum Consumption Tax.

Obesity
Obesity represents a significant and growing threat to the NHS, causing 18,100 cases of cancer each year as well as a range of other serious health conditions. According to a report by McKinsey, obesity has the second-largest economic impact after smoking in the UK.

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We congratulate the Government on introducing the Soft Drinks Industry Levy. The measure is a world-leading step to decrease children’s sugar consumption and demonstrates the value of fiscal measures to create a level playing field for reformulation and generate revenue. We also welcome the Government’s commitment to revisit exemptions made on milk-based drinks, many of which contain high levels of added sugar, in 2020. Including these drinks within the levy will be an important way to reduce children’s diet and create an additional opportunity for revenue generation.

The Government should ensure that this levy is fully evaluated, both in terms of its direct impact on health and consumption and its overall health impact alongside PHE’s sugar reduction and calorie reduction programmes.

Improving cancer services
There has been significant progress made in implementation of the strategy since its publication. We welcome the funding for the National Cancer Programme. The ongoing £200m Cancer Transformation Funding is welcome, as was the £15 million commitment to NHS England early diagnosis activities in the 2016/17 financial year. We are also pleased that NHS England will invest £130m to replace or upgrade over 100 radiotherapy machines over the next 2 years in hospitals in England.

The biggest challenge the NHS now faces in delivering the cancer strategy is workforce shortages. Health Education England, as part of implementing the cancer strategy, are conducting a review of the cancer and related workforce. This review is likely to confirm what we have already identified: that there are a number of understaffed medical specialties and non-medical health professions. There must be urgent action taken: both short term initiatives to address staff shortages in the next six months, which could include accelerated training schemes or international recruitment; and long-term approaches to ensure that we have sustainable cancer services. It is vital that these measures are implemented based on need rather than on budgetary constraints. The Government should ensure appropriate investment is made available to implement HEE’s plan once published.

There should be tracking and transparency of the additional ‘up to £300 million’ investment announced in September 2015, including the 7% uplift in spend on diagnostics by CCGs (as stipulated in planning guidance). It is not clear that the ‘up to £300m more’ funding has been directly used by CCGs to increase their diagnostic capacity. An as yet unpublished survey undertaken on behalf of Cancer Research UK suggests that CCGs hold largely patchy expenditure information on tests relevant to cancer. Some CCGs reported a decrease in the amount of money being spent in recent years with some unable to provide data on activity or waiting times in response to the survey. Transparency and accountability on how this funding has been spent is essential to show it is being directed appropriately.

Patient data plays a vital role in improving outcomes for people affected by cancer and is at the heart of the cancer strategy. Access to this data has historically been problematic and has led to significant delays in the progress of research, although this has been improving recently. In order to ensure that this improvement continues, and that NHS Digital can achieve its ambition of a truly digital NHS while also maintaining system resilience and a thorough view on cybersecurity it must be adequately resourced. Developments in data and digital health are also crucial for the future sustainability of the NHS and investment is required in order to ensure the success of new Government initiatives.

Building a supportive environment for the charity sector
As a charity, Cancer Research UK receive no funding from the Government for our research and our ground-breaking work is therefore only possible because of the generosity of the public. Across the UK in 2016, charities supported 45% of publicly-funded medical research. If we are to achieve our charitable objective of beating cancer sooner, Government policy must promote a favourable environment for

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charitable giving – so that our supporters’ generous donations can have the greatest impact possible on our life-saving research. Such investment also helps the British economy: each pound invested in cancer research by the taxpayer and charities returns around 27 pence to the economy year on year\textsuperscript{xxxvi}. We would urge the Treasury to consider how fiscal reforms could better support charitable research, for example by reviewing VAT rules on sharing of research facilities between charities and industry. We would also encourage the Ministry of Justice to consider how it could support people to leave a charitable gift in their wills.

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