Cancer Research UK Briefing: Sustainable Public Health funding for Local Government in England

Key points

- Historic cuts to the public health grant and uncertainty around long-term funding have prompted a public health funding crisis in England. Local Government’s ability to deliver a range of services, including smoking cessation and tobacco control, has been seriously affected.
- If councils are to plan and deliver key public health functions and services, a long-term, sustainable funding solution is needed. This needs to go beyond the 1% increase to public health funding announced at the last Spending Round.
- Cancer Research UK has joined around 90 other organisations in publishing a Consensus Statement calling for a sustainable solution to public health funding to improve health outcomes, reduce health inequalities and ensure the sustainability of the health and social care system.
- Cancer Research UK believes that a ‘polluter pays’ fund on tobacco industry profits should be used to provide additional funding to stop smoking services and local tobacco control.

The current picture: a public health system at crisis point

- In 2015, the Chancellor announced a £200 million in-year cut to the public health grant, followed by a further real-terms cut averaging 3.9% each year until 2020/21.
- Experts including The Health Foundation and The Kings Fund have called upon the Government to urgently restore £1 billion of real-terms cuts to the public health grant to enable local authorities to deliver vital preventative services that protect and improve health. Although the Government announced a 1% increase to the public health grant in the last Spending Round, this uplift is estimated to be in the tens of millions of pounds for the 2020/21 financial year, and therefore comes nowhere near the required amount.
- Smoking is the single biggest preventable cause of cancer and causes over a quarter of cancer deaths in the UK. A smoker using a Stop Smoking Service, commissioned by local authorities, is around three times more likely to successfully quit than going cold turkey.
- Tobacco control has been among the worst hit of all the areas of public health spending. Between 2014/15 and 2017/18, total local authority spending in England on stop smoking services and wider tobacco control fell by £41.3 million (a fall of 30%). Only 56% of local authorities now commission a universal specialist service open to all local smokers.

The future of public health funding as it stands

- There is uncertainty as to how public health will be funded moving forward. Communities Secretary Robert Jenrick announced that the Fair Funding Review and Business Rates Retention (BRR) will be delayed until 2020/21. As it stands, the public health grant is expected to be phased out after 2021/22, replaced entirely by funding through BRR. At its 2019/20 value of £3.1 billion, the public health grant would be the single biggest revenue steam replaced by BRR.
- The lower one’s socioeconomic status, the poorer one’s health is likely to be. Areas of high deprivation tend to have weaker local economies, and therefore the funding generated from BRR is likely to be lower. To address this, a top up/tariff system has been proposed. Without clarity on how this will work, Cancer Research UK remains concerned that the scheme may increase health inequalities.
- Furthermore, the consultation on fair funding does not recommend how local authorities should spend the allocation on public health services. There is a risk that, without a public health funding ‘ringfence’ and a clear set of conditions outlining which services should be commissioned, public health allocations may not be spent on these vital services.
A report by the Housing, Communities and Local Government Select Committee suggested that additional revenue gained from 75% BRR should be used in addition to core local authority funding. BRR should be used to ease cost pressures rather than as a replacement for existing sources of revenue, such as the public health grant. We are concerned that there is a serious risk of the further deterioration of public health services if funds raised from 75% BRR are the sole source of public health funding.

The National Audit Office has highlighted the risk of implementing a BRR model that has not been fully tested. We recommend the Government publish a thorough evaluation of the BRR pilot schemes, especially those including public health, before implementation.

Cancer Research UK believes that a ‘polluter pays’ tobacco control fund should be established to provide additional funding to stop smoking services and local tobacco control.

The sector in agreement: a sustainable solution needed for public health

- Cancer Research UK has published a Consensus Statement, signed by around 90 organisations, calling on Government to increase investment in public health in England to prevent ill health, reduce health inequalities and support a sustainable health and social care system.
- Taking funds away from public health is a false economy. Unless we restore public health, our health and care system will remain locked in a ‘treatment’ approach, which is neither sustainable nor protects the health of the population as it should. In the UK, smoking caused an estimated 115,000 deaths in 2015, whilst alcohol caused around 7,700 deaths in 2017. In England, there were around 617,000 hospital admissions where obesity was a factor in 2016/17. These preventable factors increase the risk of certain cancers, type 2 diabetes, lung and heart conditions, musculoskeletal conditions and poor mental health. Obesity alone is estimated to cost the NHS £5.1 billion every year, with wider costs estimated to be around three times this amount.
- 40% of health service uptake may be preventable by taking action on smoking, alcohol, physical inactivity and poor diet alone. Preventable ill-health accounts for an estimated 50% of all GP appointments, 64% of outpatient appointments and 70% of all inpatient bed days.
- Research by IPPR also found that England’s most deprived communities have borne the brunt of cuts to public health spending, despite them generally having poorer health outcomes - £1 in every £7 of the £871.6m cut from the public health grant over the last five years has been taken from budgets in the most deprived areas. In less deprived areas, this figure is £1 in every £46.
- For the UK Government to fulfil their promise of a renewed focus on the prevention of ill-health, and not waste the £20.5bn investment in the NHS, it must increase investment in public health in England and ensure that that funding is distributed fairly, based on need.

For further information please contact LocalEngagement@cancer.org.uk

References:
1. The Health Foundation and The King’s Fund (12 June 2019). Urgent call for £1bn a year to reverse cuts to public health funding.
15. Institute for Public Policy Research (5 November 2019). Hitting the poorest worst? How public health cuts have been experienced in England’s most deprived communities.