Making the polluter pay: The Smokefree 2030 Fund

...For a smokefree childhood and smokefree lives

Achieving a smokefree nation

Tobacco is the biggest preventable cause of cancer in the UK and is responsible for half the difference in life expectancy between the richest and poorest in society. It also costs society an estimated £12.5 billion a year. The Government has committed to England becoming ‘smokefree’ (less than 5% smoking prevalence) by 2030. Making smoking history by 2030 will make us healthier, wealthier and happier.

Cancer Research UK analysis shows that to make smoking history by 2030, the pace of change in England needs to be 40% faster than current trends – and greater for groups with high smoking rates, including routine and manual workers, those living in social housing and those with mental health conditions.

To achieve this, comprehensive tobacco control approaches need to be sustained, enhanced, funded and delivered. This is only possible if the severe funding cuts to tobacco control, which have resulted from reductions to the public health grant, are reversed.

Along with other leading health organisations, ASH and Cancer Research UK are campaigning for the Government to follow our Roadmap to a Smokefree 2030, with the first step being to set up a Smokefree 2030 Fund. Local authorities can sign up to support our campaign here.

A ‘Polluter Pays’ Smokefree 2030 Fund

Making the polluter pay

Tobacco is the only product that is lethal when used as intended, killing at least half of all users. As the producers of such a harmful product, the tobacco industry should be required to pay for the costs of the damage it causes. Tobacco manufacturers are also highly profitable, making approximately £1.5bn of profits a year in the UK alone.

Tobacco manufacturers are trying to position themselves as part of a smokefree future in the UK, despite continuing to promote their combustible tobacco products in developing world markets. They have been attempting to partner with public authorities on smoking cessation, illicit tobacco and e-cigarettes. Given the Government’s legal obligations under article 5.3 of the WHO Framework Convention on Tobacco Control (FCTC), we must continue to ensure that the tobacco industry has no influence over public health policy.

The Government has committed to examining options for raising funding for tobacco control. As much as 72% of the public support making tobacco manufacturers pay up to Government to fund measures to help smokers quit and prevent young people from taking up smoking. A ‘Polluter Pays’ approach, underpinned by legislation, would help us to achieve Smokefree 2030 with industry funds, without industry interference.

The Smokefree 2030 Fund

Alongside others in the tobacco control community, we want Government to introduce a ‘Polluter Pays’ Smokefree 2030 Fund.
Fixing the fund to raise £270m\(^1\) per year (uprated to £320m to include the populations of the devolved nations) would cover funding for the important components of a comprehensive tobacco control strategy in England:

- Local authority tobacco control functions, including Stop Smoking Services and the funding of enforcement activities (£177.9m, £211m for the UK as a whole).
- Regional tobacco control functions, including regional public education campaigns (such as quit campaigns) and enforcement activity to combat illicit tobacco (£47.6m, £56.5m for the UK as a whole).
- National functions, including public education campaigns and rapid-response policy analysis monitoring the progress made in tobacco control (£40m for England, £47m for the UK as a whole).

**Public health funding**

Cancer Research UK is coordinating a campaign with leading public health organisations calling on the Government to restore cuts to the Public Health Grant. The modest 1% real-terms increase announced in the recent Spending Round was welcome but, estimated to be just £85m for 2020/21, it falls woefully short of the extra £1bn required according to the King’s Fund and Health Foundation.

A Smokefree 2030 Fund should be introduced as an additional source of funding for tobacco control, in addition to the restoration of the Public Health Grant.

**Setting out the mechanisms**

**National Health Service Act 2006**

The *National Health Service Act 2006* gives the Department of Health and Social Care (DHSC) powers to raise money directly from pharmaceutical industry under primary legislation. A similar approach could be taken to establish a Smokefree 2030 Fund whereby DHSC could be also given powers to collect funds directly from the tobacco industry.

The fund should be set out in the legislation to pay for the recurring costs of tobacco control measures at a national, local and regional level. These measures must be proven to motivate successful quitting and reduce smoking uptake, and funding should prioritise groups with highest smoking prevalence.

**Governance of the Smokefree 2030 Fund**

The Smokefree 2030 Fund should be:

- Administered by DHSC and Public Health England, with funding allocations overseen by an advisory committee. The advisory committee should include tobacco control experts from the academic, regulatory, third sector, local and clinical communities.
- Paid by tobacco manufacturers based on sales volumes of factory-made cigarettes and hand-rolled tobacco in the UK market. As the number of cigarettes sold goes down, the charge on each individual cigarette would go up.
- A statutory scheme, in order to ensure that the UK maintains a strict compliance with article 5.3 of the FCTC, which prohibits voluntary arrangements with the tobacco industry.

For further information or feedback please contact:

- LocalEngagement@cancer.org.uk
- Admin@smokefreeaction.org.uk

---

\(^1\) This amount has been calculated by looking at peak funding levels for tobacco control activities in England uprated in line with 2018 population and 2019 prices.