

## Briefing: Sustainable Public Health funding for Local Government

January 2019

### Key points and overview

Ongoing cuts to the Public Health grant, coupled with uncertainty around funding in the long-term, are prompting a crisis in public health funding. This is seriously impacting on local government's ability to deliver a range of services, including smoking cessation and tobacco control.

The Government's long-term plan for the NHS has put prevention at the heart of policy, hailing it as a way to save 500,000 lives in the next decade. But the cuts to local government, which provide many prevention functions, threaten to undermine this plan. We need sustainable investment in local government services to reduce health inequalities and protect the future of the health and social care system.

Cancer Research UK is dedicated to reducing the preventable disease burden in the UK. Around 4 in 10 cancers are preventable. To ensure people are supported to reduce their cancer risk, there must be sufficient funding in the system for public health and it must be distributed effectively. To that end, Cancer Research would like to see action on the following:

- 1. The Government must equip local authorities with increased resources to provide vital public health functions and services, including Stop Smoking Services.**
- 2. The model for funding public health from 2020/21 must be equitable, sustainable, transparent and accountable. We need further detail from the Government on how public health will be funded through the proposed 75% Business Rates Retention scheme.**

### 1. Cancer Prevention: the need for sustainable public health funding

- In the 2015 Budget 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 in the 2015 Spending Review. Cuts to public health funding have been compounded by broader reductions to Local Government funding, and concerns over the financial sustainability of local authorities were raised in a National Audit Office report in March.
- The Cancer Research UK view is that there is a crisis in public health funding – a view shared by the Local Government Association (LGA), Smoke-Free Action Coalition, the King's Fund, the Health Foundation, and the Association of Directors of Public Health among others.
- This crisis is having a significant impact on local authorities' ability to deliver public health services across a range of functions. For instance, 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 is around three times more likely to successfully quit than going cold turkey. Yet research by Action for Smoking and Health and Cancer Research UK shows that in 2017 cuts to the Public Health Grant led to budget cuts to Stop Smoking Services in 50% of councils. This is not driven by local decision making, as tobacco control remains a political priority in most councils; but now as many as 4 in 10 local authorities do not provide a service to all smokers.

- Research by the Health Foundation shows that Stop Smoking Services/Tobacco Control has been the area of public health spending that has been most negatively affected by funding reductions – a 45% downturn in spending from 2014/15 – 2019/20. This hinders our efforts to reach a tobacco-free UK by 2035 and prevent more cancers.

## 2. Public health and business rates retention – the need for clarity and equity

- The Government has announced that the Public Health Grant will be phased out after 2020/21, after which public health will be entirely funding through 75% Business Rates Retention (BRR). A consultation on fair local funding has been announced by the Communities Secretary James Brokenshire, but no further details are currently available.
- We have several concerns about the potential negative implications this could have:
  - Increasing health inequalities:* The lower one's social and economic status, the poorer one's health is likely to be. Areas of high deprivation tend to have weaker local economies, and therefore the funding levels generated from Business Rates Retention may be lower. A top up/tariff system is proposed, but without clarity on how this will work, we remain concerned that the scheme may increase health inequalities.
  - Accountability for delivery of public health services:* Local authorities are required to meet conditions attached to the Public Health grant, which enables them to be held accountable to PHE/DHSC. If public health is funded by BRR, it is not clear how local authorities will be held to account for the range or quality of services they deliver and their health outcomes. The loss of a ringfence that would result from the abolition of the grant makes the need for accountability even greater. We are of the view that a mechanism for accountability must be in place.
  - Cost pressures:* A report by the 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 serious risk of further deterioration of public health services.
  - Testing and evaluating the model:* The NAO has highlighted the risk of implementing a Business Rates Retention 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 full implementation.

## Further information

For further information on this briefing, please email [ian.caleb@cancer.org.uk](mailto:ian.caleb@cancer.org.uk)

1. Cancer Research UK/Action on Smoking and Health, [Feeling the heat: The decline of stop smoking services in England](#) (2018)

For further information please email [publicaffairs@cancer.org.uk](mailto:publicaffairs@cancer.org.uk)