

**IAS response to the Health Select Committee short overview inquiry into the impact on public health post-2013 of the Health and Social Care Act reforms, December 2015**

**(Deadline 4 December)**

**Key messages:**

The key role of prevention and public health has not received the attention it deserves, or that was recommended in the Five Year Forward View.

Public health funding cuts, and a lack of emphasis in this area, raise significant questions about the long term financial position of the NHS.

Public health alcohol policies are known to be cost effective, but are not fully utilised in order to prevent people from dying prematurely, or to help ensure that the NHS remains on a stable long term financial footing.

National policies outside the NHS, such as a minimum unit price for alcohol, could contribute positively to NHS cost and workload pressures. However, central government decisions frequently put additional pressures on the NHS.

This is contrary to the NHS mandate 2015/16, which states that “National and local government, NHS England, Public Health England and others will all need to take actions, with each organisation having the same goal.”

Public health alcohol policies could provide a useful case study for the Committee’s inquiry, highlighting proven cost effective preventative measures.

**About the Institute of Alcohol Studies (IAS)**

The core aim of the IAS is to serve the public interest on public policy issues linked to alcohol, by advocating for the use of scientific evidence in policy-making to reduce alcohol-related harm. The IAS is a company limited by guarantee, No 05661538 and registered charity, No 1112671. For more information visit [www.ias.org.uk](http://www.ias.org.uk).

## Introduction

IAS welcomes the opportunity to take part in this inquiry, and will focus particularly on public health spending in this submission, while also highlighting how this impacts on the delivery of public health functions.

Public health preventative measures, and the potential cost and wellbeing benefits they can produce, can and should have an important role in the current debate around NHS finances. As such they need to be seen in the context of the overall aims for the NHS and the best way in which they can be achieved.

Policy options in this area often raise political and philosophical issues around the role of government. In recent years this political aspect has acted to cloud the issues around public health spending and delivery, with one part of government potentially inhibiting the aims of another. This is unhelpful and problematic, in both the short and the long term.

## Public health and the overall aims of the NHS

Public health issues sit firmly within the key aims set out for the NHS. Domain one of the NHS outcomes framework is “Preventing people from dying prematurely” and clearly covers many public health related issues. The Government’s mandate to NHS England 2015/16 also states that:

We want people to live longer, and with a better quality of life. Too many people die too soon from illnesses that can be prevented or treated.

The mandate 2015/16 also includes a specific objective of avoiding an additional 30,000 premature deaths per year by 2020.

The NHS Five Year Forward View, published October 2014, also put public health at the forefront of its vision for the future for the NHS. It suggested that any attempt to “muddle through” the next few years, relying on short term solutions, would not be sustainable and may widen gaps in health funding and efficiency. It stated that:

The first argument we make in this Forward View is that the future health of millions of children, the sustainability of the NHS, and the economic prosperity of Britain all now depend on a **radical upgrade in prevention and public health (original emphasis)**. Twelve years ago Derek Wanless’ health review warned that unless the country took prevention seriously we would be faced with a sharply rising burden of avoidable illness. The warning has not been heeded – and the NHS is on the hook for the consequences.... The NHS will therefore now back hard-hitting national action on obesity, smoking, alcohol and other major health risks.

Seen in this light, public health measures not only have a role to play in “preventing people from dying prematurely” but in helping to ensure that the NHS remains on a stable financial footing over the long term. While there has been significant debate over long term NHS finances, we believe that the role public health has to play in this important issue has not received the attention it deserves.

### International support for preventative alcohol policies

A recent report from the Organisation for Economic Co-operation and Development (OECD), ‘Fiscal Sustainability of Health Systems – Bridging health and finance perspectives’,<sup>i</sup> highlighted two important points: Firstly, that chronic disease represents the main cause for death and disability in OECD countries, and secondly that these can be reduced with preventative measures.

This is particularly important given the fact that annual health cost growth frequently exceeds GDP growth. While they will not provide all the answers, preventative measures are highlighted by the OECD as an important means of addressing this difficult financial issue. Yet the report also points out that prevention has been one of the areas particularly hit by budget cuts since the beginning of the recent financial crisis.

In both this and another alcohol specific report,<sup>ii</sup> the OECD highlights a clear positive link between alcohol interventions and reduction in harm and associated costs. This is the case even for interventions requiring a high cost, such as alcohol brief interventions and advice. In addition the OECD draws attention to the positive effects of pricing policies that work to reduce the affordability of products such as alcohol, tobacco and products that have high level of sugar and fat. Of particular note is the fact that pricing and regulatory policies are substantially less expensive to implement than healthcare or workplace based policies.

### Alcohol costs and the NHS

Alcohol harm costs the NHS £3.5bn each year, and is associated with over one million hospital admission<sup>iii</sup> and six hundred thousand A&E attendances.<sup>iv</sup> To provide a local case study example, Jackie Daniel, Chief Executive of University Hospitals Morecambe Bay Foundation Trust, estimates the cost of alcohol related harm to the Trust is equivalent to the cost of running one of their hospitals for an entire year (£141 million).<sup>v</sup> In response to these alcohol related costs, the Trust has introduced a Specialised Alcohol Liaison Service, which sees around 200 people a month and is effective at preventing readmissions.

This case study clearly demonstrates the large financial burden that alcohol can place on the NHS, and the role of preventative policies in addressing this. We therefore would like to stress the point that prevention, and strengthening the role of public health, will give positive results not only to the health of the population, but also on the overall cost pressures experienced by the NHS.

## Public health funding: conflict between central government actions and the aims set for the NHS

For good reasons the mandate 2015/16 focuses on actions and activities carried out by NHS England. Yet importantly it also states that:

National and local government, NHS England, Public Health England and others will all need to take actions, with each organisation having the same goal.

IAS wholeheartedly agrees with this approach, yet the realities of policy implementation and budget setting appear to be very different, with central government taking decisions that put additional pressures on the NHS, rather than relieving them.

At this point it is worth referring back to Healthy Lives, Healthy People: Our strategy for public health in England 2010, which stated that:

Prevention has not enjoyed parity with NHS treatment, despite repeated attempts by central government to prioritise it. Public health funds have too often been raided at times of pressure in acute NHS services and short-term crises.

In the summer of 2015 this scenario proved still to be true, with cuts of £200 million (6.2%) announced to the local government public health grant. This was only months after the Five Year Forward View stated that ‘the sustainability of the NHS, and the economic prosperity of Britain all now depend on a radical upgrade in prevention and public health.’

The British Medical Association pointed out that this amount was equivalent to the total public health grant for the cities of Birmingham, Leeds, Liverpool and Manchester combined,<sup>vi</sup> while the move was criticised by the Kings Fund for its late announcement within the financial year, and for there being only a short consultation held in August. They concluded that the cuts:

Will undermine commitments to prevention and discourage integration<sup>vii</sup>

In October of this year organisations, including the Faculty of Public Health, the Local Government Association, and the NHS Confederation, wrote to the Chancellor to highlight their concerns about these public health cuts. They warned that the NHS would have to “pick up the pieces” of reduced public health and social care programmes at a local government level. The Faculty of Public Health also calculated that:

The eventual knock-on cost to the NHS could be well in excess of £1bn. By any measure then, the planned move is a false economy.<sup>viii</sup>

If anything the use of the term “a false economy” here seems something of an understatement. Yet despite this, further cuts of 3.9% in real terms over the

next five years were announced in the Spending Review on 25th November, further compounding this problematic situation.

These combined cuts will seriously undermine the ability of the NHS to deliver the Five Year Forward View, and the situation is very far removed from the previously mentioned statement within the 2015/16 mandate that:

National and local government, NHS England, Public Health England and others will all need to take actions, with each organisation having the same goal.

These cuts to the public health grant provide an unfortunately good example of the conflict between central government actions and the aims set for the NHS by the same government. A wide range of public health bodies have called for these cuts to be reversed, and the evidence in support of this is very strong. While reversing these cuts may add slightly to the Treasury's overall spending costs, it would generate additional savings for the NHS far in excess of this.

### **The impact of public health cuts on delivery of local public health policies**

Given our charitable objectives IAS has a particular interest in how these cuts will impact on alcohol treatment services, but at present it is too early to clearly determine what the full scale of this would be other than to say that they are very likely to be affected in many parts of the country. Local authorities have already been forced into cutting public health programmes, with Leeds Council, for example, announcing cuts to services on smoking cessation, winter wellbeing services, oral health and healthy schools work, initiatives that were passed over to local authorities from the NHS in 2013.<sup>ix</sup>

Many in the field expect core alcohol preventative services to be significantly affected by these cuts. It is widely thought that local authorities will reduce the number of information and brief advice (IBA) interventions they carry out. This is despite the fact that the National Institute for Health and Clinical Excellence (NICE) states that IBA is likely to contribute to the reduction of alcohol-related harm and alcohol-related hospital admissions. It recommends that all health professionals who have contact with those aged 16 and over should prioritise alcohol-use disorder prevention as an 'invest to save' measure.<sup>x</sup>

The Department of Health estimates that a spend of £21.5 million on IBA in the UK would generate savings of £35 million to the NHS. This does not include other wider savings that would be generated, such as those to the criminal justice system.<sup>xi</sup> However, as a result of the cuts in public health grants these invest to save interventions seem very likely to be cut back, increasing pressure on the NHS further down stream.

In addition to this, research also indicates that alcohol services in the most deprived local authorities are already experiencing the greatest reductions in funding.<sup>xii</sup> Equally dividing public health cuts across all local authorities will

disproportionately impact provision in the poorest areas, many of which already suffer the greatest alcohol harms, and other public health challenges linked to socio-economic conditions. The likely outcome is that the even greater unmet need this produces will put additional pressure on other local services, such as A&E departments, GPs, hospitals, the police and social services.

### National health policies outside the NHS

While this is not the place for an in depth policy discussion, we believe it needs to be recognised that government actions outside of the traditional NHS remit have the potential to both help, and hinder, the NHS and wider public health. The coalition government and the current administration have toyed with a number of national health policies that have the potential to make a significant positive impact on public health. The two most prominent of these policies are perhaps minimum unit pricing (MUP) for alcohol and a 'sugar tax'. As yet however, none have been implemented.

MUP sets a 'floor price' below which alcohol cannot be sold, based on the amount of alcohol contained in the product. As such it impacts primarily on cheap alcohol originally sold below this floor price, but not on alcohol already sold at a higher price point. In parts of Canada, when minimum price has been consistently and rigorously implemented, it has resulted in a reduction in the amount people drink, with fewer hospital admissions and fewer alcohol-related deaths.<sup>xiii</sup> MUP is particularly effective at reducing the amount of alcohol drunk by harmful drinkers as they tend to buy most of the very cheapest alcohol. Harmful drinkers on low incomes benefit most in terms of improved health and wellbeing.

Implementation of MUP would have a significant impact on prevention of alcohol related harm, and thus improving health and saving money for the NHS. Indeed, it is estimated that after 10 years, MUP set at a level of 45p per unit, would save 642 lives per year (552 from the 'harmful drinker' category) and reduce alcohol-related hospital admissions by over 23,000 per year.<sup>xiv</sup> In addition to these positive health outcomes, MUP would help relieve pressure on the emergency services such as the police, with MUP at 45p estimated to reduce crime by 34,200 incidents per year.

MUP has a strong international evidence base and backing from bodies such as the World Health Organisation,<sup>xv</sup> a wide range of medical groups, including the Royal College of Physicians, the College of Emergency Medicine, the Faculty of Public Health, the Medical Council on Alcohol,<sup>xvi</sup> and the National Police Chief's Council (NPCC).<sup>xvii</sup>

While the Government states that 'minimum unit pricing will remain under review while legal developments and the effect of the policy in Scotland are monitored'<sup>xviii</sup>, given the potential to relieve pressure on the NHS we believe that the Government should commit to introducing MUP, subject to the legal challenge from the alcohol industry in Scotland.



Regardless of the debate around MUP, reinstating the alcohol duty escalator would not only recoup an estimated £1.2 billion over the next four years, but also help to counter the health risks linked to low alcohol prices.<sup>xix</sup>

### Alcohol policies as a case study

The Committee has announced that they plan to hold a small number of ‘case study’ sessions. We would like to propose that public health and preventative policies relating to alcohol should be one of those case studies. As outlined above, an alcohol specific case study would incorporate issues related to the effectiveness of local authorities in delivering the envisaged improvements to public health (such as IBA), public health spending, and the key relationship between national policies and local public health outcomes.

### Conclusion

In stark contrast to the ‘radical upgrade in prevention and public health’ called for in the Five Year Forward View, the government has significantly cut the local authority public health grant, and in doing so generated an additional £1bn of downstream costs for the NHS. Given the financial position of the NHS this seems to be a remarkably reckless and short-sighted move.

In addition, national policies with the potential to relieve cost and workload pressures on the NHS, such as minimum unit pricing for alcohol, have not been introduced. In contrast, the abolition of the alcohol duty escalator, and cuts to alcohol duty, have made alcohol more affordable, something known to put additional pressures on the NHS and emergency services. As such, the government has ignored its own stated belief that:

National and local government, NHS England, Public Health England and others will all need to take actions, with each organisation having the same goal.

IAS believes that there is a pressing need for a genuine ‘radical upgrade in prevention and public health.’ Given the evidence of cost effectiveness for preventative alcohol policies, these should play a key role in this upgrade.

### Contact

Jon Foster, Senior Research and Policy Officer, Institute of Alcohol Studies  
Alliance House, 12 Caxton Street, London, SW1H 0QS  
Tel: +44 (0)207 222 4001/5880 Email: [jfoster@ias.org.uk](mailto:jfoster@ias.org.uk)

- 
- <sup>i</sup> OECD (Sept 2015) [Fiscal Sustainability of Health Systems – Bridging health and finance perspectives](#)
- <sup>ii</sup> OECD (May 2015) [Tackling Harmful Alcohol Use, Economics and Public Health Policy](#)
- <sup>iii</sup> OECD (Sept 2015) [Fiscal Sustainability of Health Systems – Bridging health and finance perspectives](#)
- <sup>iv</sup> OECD (May 2015) [Tackling Harmful Alcohol Use, Economics and Public Health Policy](#)
- <sup>v</sup> Jackie Daniel presenting at Alcohol Concern's annual conference, 17.11.2015
- <sup>vi</sup> BMA (June 2015) [Fund cuts could 'gut' public health](#)
- <sup>vii</sup> Buck, D., (August 2015) [Cuts to public health spending, the falsest of false economies. The Kings Fund](#)
- <sup>viii</sup> Meikle, J., (October 2015) [Public health cuts undermine extra NHS funding, say medical groups](#). The Guardian
- <sup>ix</sup> Yorkshire Evening Post (October 2015) [Leeds Council makes public health cuts 'with a heavy heart'](#)
- <sup>x</sup> NICE guidelines, [PH24: Alcohol-use disorders: preventing harmful drinking](#) Accessed on 7<sup>th</sup> August 2015
- <sup>xi</sup> Department of Health. [Case for Change – Commissioning Identification and Brief Advice to improve health and justice outcomes in offender populations](#).
- <sup>xii</sup> Alcohol Concern (2015) [Measure of Change – the impact of the public health transfer on local provision](#)
- <sup>xiii</sup> Institute of Alcohol Studies (June 2015) [Minimum pricing linked to 9% drop in crime](#)
- <sup>xiv</sup> Brennan, A., Meng, Y., Holmes, J., Hill-McManus, D., Meier, P.S., (2014) ['Potential benefits of minimum unit pricing for alcohol versus a ban on below cost selling in England 2014: modelling study.'](#) BMJ
- <sup>xv</sup> Bowcott, O., (1999) Alcohol price controls suggested by World Health Organisation. Guardian Newspaper.
- <sup>xvi</sup> Donnelly, L., (11th January 2015) [Put up drink prices to stop A&E crisis, say doctors](#), The Telegraph. Accessed on 3<sup>rd</sup> June 2015.
- <sup>xvii</sup> Willis, J., (4th July 2012) [Association of Chief Police Officers backs booze price reform at Durham conference](#). Northern Echo. Accessed on 3<sup>rd</sup> June 2015
- <sup>xviii</sup> Police Professional (October 2015) [Alcohol puts 'unnecessary strain' on the emergency services](#)
- <sup>xix</sup> Alcohol Health Alliance (2015) [Budget 2015: The Alcohol Health Alliance's position on taxation](#).