

## Government "Deregulation" Rules and Public Health Cuts Will Worsen Health and Prevent NHS from Meeting Budget Gap

15 September 2015

*Note: Health Secretary Jeremy Hunt is giving evidence to the House of Commons Health Select Committee, 2pm Tuesday 15th September.*

Government rules on deregulation and cuts in spending on public health will worsen health outcomes and prevent the NHS from bridging its forecast funding gap without major cuts in services, leading medical and regulatory organisations, and health groups have warned.

Leaders of 28 national organisations, including the BMA, medical royal colleges, and leading health charities, have written to Dr Sarah Wollaston MP, Chair of the Health Select Committee, asking her to raise the issue with Health Secretary Jeremy Hunt when he gives evidence to the Committee today. [1]

Dr Wollaston has responded that: "Action on public health and prevention is vital to ensure the long-term sustainability of the NHS and if nothing is done we will be faced with a sharp rise in the number of avoidable illnesses. The issue of the One-In-Two-Out policy will need to be clarified in order to ensure that we can take measures to protect public health."

The letter also raises serious concerns about future cuts in funding for public health, which since 2013 has been a responsibility of local councils. According to the NHS Five Year Forward View [2], even after the £10 billion in additional NHS funding committed by the Government, there will be an annual funding shortfall of £22 billion by 2020.

The report states: "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." Despite this, the Chancellor recently announced £200 million in-year cuts to DH funding for local authority controlled health budgets, a reduction of more than 6% in what is supposed to be a 'ring-fenced' budget. [3]

The letter to Dr Wollaston states that: "With such serious cuts to public health budgets, it is even more essential that policies which encourage behaviour change at population level are implemented ... Such policies are often best introduced by regulation rather than on a voluntary basis, as this ensures consistency in approach and a level playing field for all businesses. A good example is smokefree laws, which the Better Regulation Executive itself cited as a case study of effective regulation."

Future regulations to improve public health are also threatened by the Government's "One in Two Out" (OITO) policy, which forces Government departments to remove regulations worth twice the cost to business of any new regulation that is introduced.

The Regulatory Policy Committee (an independent advisory body under the Department of Business, Innovation and Skills) has decided that any regulations which drive down industry profits count as a cost for the purposes of OITO, while any benefits to business from changing purchasing behaviour by consumers are not taken into account. No explanation has been given as to why the RPC has made this change, as according to the BIS Better Regulation Framework Manual, last updated in March 2015, only direct impacts to business should be scored for OITO. [4] The Government intends to find at least £10 billion of savings to business by reducing regulation over the next five years, and it will widen the remit of the RPC when independent regulators such as the broadcasting regulator OFCOM are brought within its scope in the forthcoming Enterprise Bill. [5] The Department of Health's impact assessment of standardised ("plain") tobacco packaging regulations estimated a net annual cost to business of £37 million, including lower cigarette sales, which means the Department now has to remove regulations "costing" business £74 million a year. [6]

Around one in three 11-year-olds in the UK is overweight or obese, and obesity, together with smoking, drinking and lack of physical exercise are the leading causes of avoidable death and disease. Strengthening the current rules on advertising to children could potentially be prevented by the rules on reducing regulation. The effects of strengthened rules in reducing sales of unhealthy foods, or in reducing advertising revenues, would count as a regulatory 'in,' requiring the removal of

another regulation worth twice the cost to business, while the benefits in reductions in obesity and related diseases such as type 2 diabetes would be considered irrelevant.

The Department of Health's purpose is to "help people stay in good health and live independent lives", not to regulate business. It is very difficult for the DH to find suitable regulations to remove under the OITO rule, and other government departments have no interest in removing regulations on DH's behalf. The letter says that the system needs changing to include not just costs and benefits to business, but costs and benefits to wider society as well. Alternatively there should be an exemption for public health measures, as there is for regulations on civil emergencies and financial systemic risk.

## **ENDS**

### **Notes**

[1] The [letter to Dr Wollaston](#) is signed by leaders of: Action on Smoking and Health, Arthritis Research UK, the Association of Directors of Public Health, Asthma UK, Blood Pressure UK, Beating Bowel Cancer, Bowel Cancer UK, British Heart Foundation, British Lung Foundation, the BMA, the British Thoracic Society, Cancer Research UK, Chartered Institute of Environmental Health, Chartered Society of Physiotherapy, Chartered Trading Standards Institute, Diabetes UK, Faculty of Public Health, the Lullaby Trust, Macmillan Cancer Support, Royal College of Anaesthetists, Royal College of General Practitioners, Royal College of Midwives, Royal College of Obstetricians and Gynaecologists, Royal College of Paediatrics and Child Health, Royal College of Psychiatrists, Royal National Institute for the Blind, UK Centre for Tobacco and Alcohol Studies, UK Health Forum.

[2] [NHS Five Year Forward View](#): NHS England October 2014

[3] Public Health Policy Strategy Unit (PHPSU). [Local authority public health allocations 2015/16: in-year savings](#). A consultation. DH, 31 July 2015.

[4] DBIS. [Better Regulation Framework Manual. Practical Guidance for UK Government Officials](#). 1.9.35. March 2015.

[5] Regulatory Policy Committee. [RPC advice on deregulation and implementation of the SBEE Act 2015 – summary of evidence](#). June 2015

[6] [Impact Assessment: Standardised Packaging of Tobacco Products](#): February 2015