

Leading health organisations call on Chancellor to reconsider a levy on the tobacco industry to fund public health

26 November 2015

Today 30 leading members of the Smokefree Action Coalition including medical royal colleges, the Association of Directors of Public Health, UK Faculty of Public Health, the British Heart Foundation and Cancer Research UK have written to the Chancellor to express disappointment with the Government's decision to cut public health funding.[1]

The letter notes that in the 2014 Autumn Statement the Chancellor had stated that *"smoking imposes costs on society and the Government believes it is therefore fair to ask the tobacco industry to make a greater contribution"*. However, the proposal for a levy was subsequently dropped. [2]

The SFAC is now calling on the Chancellor to reconsider a levy which would provide an opportunity for the government to raise the money needed to ensure that public health provision is put back on a sustainable footing for the future.

The health groups outline three main concerns:

- that effective public health policies need to be prioritised and sustainably funded to ensure local authorities can meet their public health objectives
- the economic modelling assumptions the Government has used on the tobacco levy appear to mis-state the likely tax rises on consumption
- the indirect economic benefits from a tobacco levy, including reductions in NHS spending, lower costs for disability and social care, and improved productivity have not been considered.

The SFAC also questioned the proposal to fund local authorities' public health spending from business rates receipts. The health groups note that the local authorities with the highest levels of disadvantage and highest rates of smoking tend to have the lowest business rates. Additionally, local businesses will bear the brunt of this rather than the tobacco industry which contributes most to undermining public health.

Deborah Arnott, chief executive of health charity ASH said:

"Cutting public health budgets is penny pinching and will cost lives. Even after the funding commitment to the NHS there will still be a shortfall which can only be bridged by a greater focus on disease prevention and public health. The tobacco companies, which continue to make huge profits, are responsible for the premature deaths of almost 80,000 people in England each year, and should be forced to pay for the harm they cause."

ENDS

Notes:

[1][SFAC letter to the Chancellor](#).

[2015 Autumn Statement & Spending Review](#)

[2] - [Extract from the 2014 Autumn Statement](#)

- [July 2015 Budget](#)

See also: [ASH response to a Treasury consultation on a tobacco tax levy](#).