

Good health: an investment worth making

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Good health is an asset that we all too often don't notice until it's gone. And not just our own personal health: a healthy population is part of the vital social fabric needed to improve wellbeing and prosperity.

This autumn statement is billed as the Sunak government's attempt at balancing the books with global factors, cited by the previous and current governments, which have left a hole in the nation's finances. We know the Chancellor hopes that difficult decisions taken by his department will lead to a 'shallower and quicker' recession.

After a century of rapidly improving life expectancy, progress stalled in the last decade. For the first time since the industrial revolution, [health and wellbeing risk going backwards](#). A person's life expectancy and healthy life expectancy are closely correlated with their income and wealth. Poorer health limits people's opportunity to engage in work, and, in turn, poverty is associated with worse health outcomes. The nation's underlying ill health is now the primary reason for the rise in older workers being out of the labour market altogether. A greater focus on supporting economically inactive people with poor health people is needed.

This trend has, in part, led to the UK trailing behind almost all wealthy nations in its post-pandemic labour market recovery. We are sadly at risk of becoming the only major developed country with employment below pre-pandemic levels at the start of 2023.

The new government has an opportunity to reset our approach to health and build resilience for the future that can support higher growth, better living standards and local economies. Reversing years of entrenched health inequalities will require tackling these issues at the source.

As a nation, we are too dependent on the NHS to treat conditions which could have been prevented. The NHS was not set up to go it alone. Creating good health, improving it and protecting it – from birth to old age – needs a whole system of services like housing and social security. Critical parts of this system have been degraded over the past decade, and the NHS is left to try to pick up the pieces.

The government has difficult decisions to make about how to reduce borrowing to meet its expected fiscal rules (such as reducing public sector debt relative to GDP). There are choices about how to do this – the balance of raising taxes or cutting spending – which also depend on the fiscal rules, including when they must be met.

These choices may be constrained in the short term because of increased borrowing costs and a difficult economic outlook. But such a tight settlement for public services over the longer term is not inevitable. For example, the UK tax burden is low compared to many other high-income countries. Nonetheless, the government is set to go against many of its 2019 manifesto pledges by embarking on significant public spending cuts and setting the nation up for a more unhealthy and unequal future.

A decade of austerity has left public services frayed and failing to provide the safety net needed by so many. The added effects of COVID-19 mean that further cuts in spending will have severe consequences for the range and quality of public services – and, ultimately, people's health. For example, local public health budgets provide vital preventative services that promote good health, but the [public health grant](#) has been cut by 24% per capita in real terms since 2015/16, and cuts have been greater in more deprived areas. Further cuts could lead to worse health and broader inequalities. The same is true for social security. The number of people living in absolute poverty is [projected to rise](#) by 2.9 million between 2021/22 and 2023/24 – and a failure to increase benefits in line with inflation from April would worsen this.

The government faces tough challenges, but it will ignore at its peril the consequences of indiscriminate cuts. To get the country back on its feet, the government needs to protect the wider set of budgets that contribute to people's health and ensure a fairer distribution of public

funds. Recent [IFS analysis](#) has shown the stark mismatch between funding and need in many public services. Ring-fencing NHS budgets while cutting wider services that shape health will increase pressure on services over the long term – for example, by leaving more people in hospitals without community support.

Making the changes needed to treat health as an asset, rather than a by-product of other policy aims or the responsibility of the NHS, will be far from straightforward. It will require not only a sea change in the approach government takes to join up policymaking but also the involvement of employers, with health firmly seen as an asset to be invested in.

<https://www.health.org.uk/news-and-comment/blogs/good-health-an-investment-worth-making>