

**Obesity Health Alliance briefing: Allocation of funding from the soft drinks industry levy
for sport in schools
Westminster Hall debate on Tuesday 10th January 2017**

Key messages

- More than one in five children are overweight or obese before they start primary school, and this figure rises to more than one in three by the time they leave Year 6.¹ This is putting our children at risk of developing serious health conditions such as Type 2 diabetes, heart and liver disease and cancer as well as related mental health problems.
- The UK spends about £6 billion a year on the medical costs of conditions related to being overweight or obese.² This figure is likely to be dwarfed by the indirect costs of obesity to employers and to society due to unemployment, early retirement and associated welfare benefits.
- In the 2016 Budget the government announced the introduction of a new levy on soft drinks that contain added sugar to help tackle childhood obesity. In England, the new levy revenue will be invested in programmes to support physical activity and balanced diets in school aged children.
- The Obesity Health Alliance, a coalition of more than 35 health charities, medical royal colleges and campaign groups, strongly support the soft drinks industry levy and welcome plans to invest revenue in measures to support public health schemes to tackle childhood obesity.

About the soft drinks industry levy

- There is a clear link between sugar intake and childhood overweight/obesity, as illustrated in the Scientific Advisory Committee on Nutrition's July 2015 report on Carbohydrates and Health.³ With 30% of the sugar in children's diets coming from sugary drinks,⁴ it is clear that action is needed in this area.
- The levy is expected to raise around £520m in the first year.⁵ This is likely to fall over time as manufacturers remove sugar from their products and consumption of sugary drinks falls.
- In addition to promoting reformulation, the evidence base is clear that a soft drinks industry levy is also likely to have a positive health impact by reducing consumption of sugary drinks.⁶
- It is important that the levy is comprehensively evaluated so that it can be refined and adjusted to continually deliver public health gains.
- Polling from March 2016 found that 69% of the public support a tax on sugary drinks.⁷

Plans to allocate revenue

- The Government has stated that in England, revenue from the soft drinks industry levy will be used to double the PE and sport premium for primary schools, expand school breakfast clubs and support more secondary schools to offer a longer school day, including more sport.

- For Scotland, Wales and Northern Ireland, the Barnett formula will be applied to spending on these new initiatives in the normal way.
- The OHA welcomes plans to reinvest revenue raised by the levy to support public health schemes to tackle childhood obesity.
- The reinvestment plans should be kept under review to ensure they are delivering effective public health gains in tackling childhood obesity.
- It is vital that sustainability of funding for these public health programmes is considered by Government as some manufacturers will reformulate products to avoid paying the levy meaning the revenue will be reduced over time.

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About the Obesity Health Alliance

The Obesity Health Alliance is a coalition of more than 35 national organisations that have come together to represent the unified voice of the public health sector on issues relating to overweight and obesity in the UK. Via our wide membership, the OHA represents the views of hundreds of thousands of health professionals and public health experts across the UK whose scope of work includes cardiovascular disease, diabetes, cancer, nursing, mental health and child health.

¹ NHS Digital. National Childhood Measurement Programme - England 15/16, <http://content.digital.nhs.uk/searchcatalogue?productid=23381&q=national+child+measurement+programme&sort=Relevance&size=10&page=1#top>

² McKinsey Global Institute (2014). Overcoming obesity: An initial economic analysis.

³ SACN Carbohydrates and Health report, <https://www.gov.uk/government/publications/sacn-carbohydrates-and-health-report>. July 2015

⁴ Change4Life Sugar Smart <https://www.nhs.uk/sugar-smart/sugar-facts>, accessed 1 November 2016

⁵ HM Revenue and Customs (2016). Soft Drinks Industry Levy Policy Paper. <https://www.gov.uk/government/publications/soft-drinks-industry-levy/soft-drinks-industry-levy>

⁶ Cornelson, L., and Carriedo, A. (2015). Health-related taxes on foods and beverages. Food Research Collaboration. <http://foodresearch.org.uk/wp-content/uploads/2015/06/Food-and-beverages-taxes-final-amended.pdf>

⁷ Ipsos Mori. (2016). 'Political monitor'. <http://www.slideshare.net/IpsosMORI/ipsos-mori-political-monitor-march-2016>