Rising costs spell disaster for the nation’s health

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Black storm clouds are hanging over the nation this April as inflation rockets, national insurance rises, and the energy price cap lifts—unleashing escalating energy prices across the UK.

This perfect storm of rising costs will disproportionately impact the health of the poorest in society, adding to already unacceptably wide inequalities in the UK.

Energy bills are expected to rise by almost £700 this year for a typical household. Shockingly, this means that energy bills are expected to rise by more than 50%. This is five times the previous biggest increase of £139, which only came into effect in October last year. As a result, more than one in four households in the UK will be living in fuel poverty.

It is appalling that in a rich country such as the UK, many people are having to make choices between heating their homes and feeding themselves and their families. Fuel poverty is part of a cycle of poor health because of the many interactions between challenging socioeconomic circumstances and societal inequities. Living in cold temperatures increases the risk of respiratory infections and exacerbates many chronic conditions. The indirect effects of fuel poverty are also concerning; households that spend a greater proportion of their income on energy have less to spend on food and other health necessities. Financial insecurity drives greater social isolation, and carrying a greater burden of debt causes mental health problems for both adults and children.

Politicians may say that we must bear the rising cost of living together, but the problem is that these costs are not equally distributed. People who live in low income areas do not have lower fuel bills. They also bear the brunt of decades of inaction in improving home insulation. It is the poorest who will struggle to keep afloat, and whose health will suffer, when the financial storm hits.

The UK government says it has done enough to support households through the cost of living crisis, but this support is not fairly weighted to protect the poorest in society. Measures announced in the chancellor’s Spring Statement included raising the National Insurance threshold from £9,880 to £12,570 in July, introducing a 5p cut to fuel duty for 12 months, and providing a £500 million increase to the discretionary Household Support Fund. The average gain from these measures for those in the top half of income distribution is £475, compared to a gain of only £126 for the poorest fifth of households. These measures are targeted towards those who drive and those in work, but they do not do much to help people in poverty.

All energy customers can apply for a £200 “discount” on their bills over the next five years, but this must be paid back in 40 instalments, saddling the poorest with further debt. Adding insult to injury, those on benefits are likely to face a large effective cut in income over the next year, as these will be up-rated according to the September inflation figure of 3.1%, as opposed to the expected average of 8.0% over 2022/23.

The consequences of government policies and treasury decisions are that it is likely that a further 1.3 million people, including 500,000 children, will be pushed into absolute poverty over the next year. This will spell disaster for the health and wellbeing of the UK’s poorest citizens who already suffer substantially poorer health than their richer counterparts. Data from the Office for National Statistics published last week revealed that avoidable deaths accounted for 40% of all deaths in men from the most deprived areas of England in 2020, compared with 18% in the least deprived areas.

The current situation is a prime example of why the BMA President’s Project is calling for the health of the population to be considered a primary policy target. Issues like rising energy and food prices, housing quality, and air pollution can’t be tackled by individual choices. However, collectively, the public can and should demand that they are tackled in cross-departmental actions focused on improving the health and wellbeing of the population. The health of its people is a nation’s cardinal asset. Safeguarding the nation’s health is not only the right thing to do, but underpins a nation’s resilience and productivity, and hence ultimately its prosperity.

Neena Modi is President of the British Medical Association. The BMA President’s Project in 2022 aims to promote recognition of physical and mental health as essential requirements for a sustainable future, and hence a primary policy target for government.

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