



Richard Hughes
Chair, Office of Budget Responsibility
By email.

23rd September, 2022

Dear Richard

Request for confirmation OBR will include impact of UK health problems in calculations of growth.

Any moves to scrap existing, forthcoming and future measures from the Obesity Strategy would have a profound impact on the UK economy. I am writing to ask you for clarity on your potential treatment of this widely-reported possible development and other factors causing a decline in our health.

I note that the OBR has already recognised the significant impact of recent worrying health developments on some social welfare costs in its recent “Welfare Trends Report (2022)”. In the words of Laura Gardiner, Deputy Chief of Staff, “doubling the 210,000 rise in health-related inactivity we assume compared to pre-pandemic could add £2.7 billion to spending.”

But I do not think this goes far enough. Any analysis of declining population health should not be limited to specific welfare costs such as incapacity and parenthood benefits. It should also measure at least five other areas, (1) welfare costs such as housing benefit and disability benefits claimed by those who are economically inactive or might be struggling with severe illness, (2) lost workforce productivity, (3) higher health and social care expenses, (4) shorter productive working lives and (5) reduced inward investment.

Chairman, can you please confirm the following.

1. What work is the OBR currently doing to prepare economic and fiscal forecasts for the scrapping of the Obesity Strategy, and what help has it received from the Government in the preparation of such forecasts?
2. If the Government does make the decision to reverse current or intended Obesity Strategy policies, what would the OBR expect to be able to provide in terms of forecasts and costings that will consider the impact of obesity on these six measures listed above, including any review of the Welfare Trends report?
3. Will that Review work with the Office of National Statistics to revise the “National population projections” which form part of the Welfare Trends assumptions for our economic forecasts?
4. Can you confirm that the OBR will look more widely at the greater breakdown of “health-related inactivity”? In particular, it is be useful to gauge how much of these extra costs and falling incomes/investment are potentially attributable to excess weight vs others conditions?

I am enormously grateful for all the hard work of the Office for Budget Responsibility in this area. I would be grateful for a response to this letter by the end of next week (Friday 30th September). As is normal practice, I will be publishing this letter shortly, and any response in due course.

A handwritten signature in black ink that reads 'Bethell'.

Lord Bethell