

The most expensive breakfast in history

Two postscripts

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Introduction

At the time of writing *The most expensive breakfast in history* in 2021, there were differing views about how Blair's enormous commitment to increase UK health spending up to the European Union average by 2005 had come about. A dispute would be too strong a word, but the accounts of Ed Balls, then Brown's most senior special adviser, and Robert Hill, Blair's health adviser in Number 10 Downing Street, diverged.

The official documents that might have resolved these questions were not available at the time. But they – or at least some of them – now are. That leads us to this postscript, along with a further, and arguably kinder, reflection on the impact of the Wanless reports on public health. Hence the 'postscripts' plural of the title.

Postscript 1

The road to *Breakfast with Frost* is covered in some detail in our [revisit of the two Wanless reports](#) (pp 10–30), undertaken some 20 years on from their publication. But to summarise somewhat brutally the difference of view: Ed Balls's account was that Brown and his team were already working on a strategy to justify big increases in health spending – although apparently, without either the Prime Minister or Robert Hill being aware. Then, out of the blue, Blair made his big commitment. In his memoir, *A journey*, Blair is clear that this was a bounce on his Chancellor – 'a straightforward pre-emption' – after, in his view, Brown had proved reluctant to agree big spending increases.

Ed Balls's theory was that Robert Hill wrote Blair a policy note ahead of the broadcast saying, "We really should be ambitious in going for the EU share of GDP." Tony reads it and goes on the Frost programme and says it.'

Robert Hill's recollection differs. He had, in the past, briefed Blair about EU expenditure levels but '...more in the context of bolstering the case for upping our game on health spending, rather than understanding that we were specifically considering going for the EU average. I genuinely can't remember whether I put the EU figures in the note ahead of the Frost programme. Certainly, there was no modelling.' And Hill was as surprised as anyone when Blair made the specific commitment ([see the full report](#)).

The Prime Minister's papers, which may make what happened clearer, are now available in the National Archives. The file PREM 49/1500 does indeed contain a 15 January 2000 note from Robert Hill on the day before the broadcast, headed 'Briefing for Frost'.

The note's focus is entirely on current issues at the time. Namely, the severity of a bad flu outbreak (the NHS was having a decidedly tough winter), the number of intensive care beds available, and

some recent polling data on the public's view of the state of the NHS. There is nothing on international comparisons of health care spending, let alone the specific gap between the UK and the EU average.

This strongly supports Robert Hill's recollection of events. Namely that he does not remember specifically briefing Blair on the UK/EU average spending gap ahead of the broadcast. There is, however, a potential qualification that the record may not be complete.

A later document from Hill to Blair, dated 21 January, starts 'I attach (Flag A) a reworked version of the note I included in your Frost briefing pack, which sets out our "argument" or plan on health.' Flag A is not attached – and the three-page note referred to hardly merits the description of 'a briefing pack'. This strongly suggests that there was something more substantial than the three-page note on the day before – and it would be a surprise if there was not. That does, just, leave open the possibility that there was a note on EU average spending in the run up to the broadcast, which failed to be retained in the file (or indeed has been misfiled, and that does happen. The Prime Minister's 'national health' files contain a long note on schools from Andrew Adonis, Blair's education adviser, which looks to be a first fully written down outline of what became the academies programme).

However – and it is a big however – Hill made the point that there had been no modelling of the implications of getting expenditure up to the EU average. And immediately after Blair's appearance, he put in a call to the home of Clive Smee, the Department of Health's Chief Economist.

He asked Smee to set out precisely how much this would cost and whether it even looked achievable given reasonable assumptions around economic growth. And the archive does contain a fax to Number 10 from the Department of Health, timed at 16.43 on the Sunday. This sets out what looks to be the result of Clive Smee's calculations as to whether the proposition looked realistic. It concludes that the goal looked attainable (and, indeed, depending on the precise measure used, it was attained).

But the most conclusive point – surely – about whether Hill briefed Blair on the need to get spending up to the EU average immediately before the broadcast lies in Hill's pointed observation at the top of page 29 in our account of events. 'If I'd been expecting the commitment to the EU average,' Hill says, 'I wouldn't have needed to put that call in to Clive Smee.' He would not have needed to because, if it had been clear Blair was going to make the commitment, the modelling would have been done.

This does leave open the question: where did Blair get the idea from? Given that it is not just Ed Balls's and Robert Hill's recollections of the day before the broadcast that differ. So do those of Hill and of Blair in his account of his time in office.

There need be no great mystery about that. The size of the gap between UK and EU average health spending was well known (and had long been) to every health minister, chancellor, prime minister,

health economist and health commentator, given that the OECD publishes an annual set of data that spells out each country's spending from which EU and OECD averages can easily be worked out.

Hill, as he says, had previously briefed Blair on international spending comparisons. Indeed, there is a paper in Prem 49/987, dated 3 December 1999, some 6 weeks before the broadcast, which sets out comparative spending for a range of countries. These include Germany, France, Japan, Australia, Canada, the US and the OECD median (without mentioning the EU average), plus three illustrative examples of how fast UK health spending would have to rise over how many years to reach 8.5 to 9% of GDP (the EU average at the time being about 8%, although, again, the slides do not refer directly to that).

Blair's hand-written comments on that briefing do not refer to the spending gap. Rather that, 'We should pursue all the priority areas for squeezing more funding out of the system.' Nonetheless, Hill's recollection, and this December paper alone, make clear that the Prime Minister was well aware of the UK's position in the league tables of health spending as measured by the share of GDP.

The files also reveal the growing tensions over NHS funding that led to the commitment. Tensions between the Treasury on the one hand and both Number 10 and the health ministers on the other, over 1999 and early 2000 (PREM 49/986 and 987).

There are notes from both Hill and Blair as tortured spending negotiations with the Treasury take place, both on in-year issues and for the run up to March 2000 budget. They are dotted with phrases about the Treasury always 'giving too little, too late', or their proposition being 'classic Treasury' or, 'Our whole story on delivery is going to be undermined by the financial situation in the NHS.' Indeed, while Frank Dobson's personal note to Blair referred to in our review ('If you want a first class service, you are going to have to pay a first class fare,' (p 19)) does not appear in these files, there is a handwritten reply from the Prime Minister that reads: 'Many thanks for your letter re long-term NHS funding. I am reflecting on it! But there are no easy solutions, though I accept the analysis.'

It is dated 18 July 1999. In that, some 6 months before *Breakfast with Frost*, may lie at least one of the origins of the commitment.

Postscript 2

If the first part of the postscript to our account sheds new light on the run up to the broadcast, the second reflects on our somewhat downbeat assessment of the two reports' impact on public health. That in turn was prompted, post publication, by a [witness seminar on the Wanless review](#) held by Liverpool University's Institute of Population Health in October 2022. Attendees included Ed Balls and Anita Charlesworth, the Health Foundation's Director of Research, who led the secretariat for the first Wanless review.

The point was made that alongside what were clearly public health measures – for example, the 2007 ban on smoking in public places in England – the Labour government had a whole string of policies that were likely to have a health impact. Most were not presented as public health measures. But they did address issues such as income and education – in other words the wider determinants of health – and at times were presented together as a strategy to reduce health inequalities.

Thus, even before the Wanless reports, the Labour government in 1999 produced *Reducing health inequalities: an action report*, a response to the previous year's report on the issue from the then Chief Medical Officer Sir Donald Acheson. After the first Wanless report, but before the public health one in 2004, the government also published, in 2003, *Tackling health inequalities: a programme for action*.

Policies listed included tax credits, including the child tax credit, along with the associated national minimum wage – tax credits providing appreciably more generous support for those in low-paid work, with the child tax credit also going to those not working. Other measures included the pension credit and Labour's welfare to work programmes (which did get more people into work, most notably lone parents). In addition, there were the Sure Start children's centres (of which there were 3,600 by their peak in 2009) and area-based initiatives such as the Health Action Zones and the Neighbourhood Renewal funds.

As the NHS money became available, a larger share of the growth than average went to the most socioeconomically deprived parts of the country. In education, there was a **genuine transformation** in the quality of schooling in London over a decade, while the first stage of the academies programme saw failing schools replaced by an entirely new one: new buildings and new staff, not just a nominal 'fresh start'. Most, though not all, of these new schools proved successful.

All these measures were likely to have both short term and longer term impacts on health, and particularly on the health of some of the least advantaged parts of society. They just were not presented specifically as 'public health measures', rather as ones to tackle health inequalities.

Academic assessments of the combined impact of these measures on health inequalities have varied appreciably over the years: some finding little impact, others an appreciable one. A relatively recent large-scale and nuanced assessment, which was able to take advantage of studies with the longest term data, found 'some evidence' that the strategy led 'to a reduction in the absolute inequalities in life expectancy, mortality, infant mortality and major causes of death. While the impact on relative inequalities is less clear, **there seemed to be a narrowing** of relative inequalities in at least life expectancy and infant mortality.'

Thus, while the direct impact of the Wanless reports on public health was judged by our interviewees to be relatively limited, the second one in particular was part of a wider discourse on

tackling what have been dubbed the social determinants of health. In other words, what counts as 'public health' may be limited by the definition of what is included.

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