Alcohol etc. (Scotland) Bill

Alcohol Concern

1. About Alcohol Concern
1.1 Alcohol Concern aims to reduce alcohol related harm. We campaign for effective alcohol policy and work to improve services for people whose lives are affected by alcohol misuse.
1.2 Alcohol Concern is a membership body working at a national level to influence alcohol policy and champion best practice locally. We support professionals and organisations by providing expertise, information and guidance.

2. Executive Summary
2.1 We welcome the opportunity to comment on the proposed measures in the Alcohol etc. (Scotland) Bill intended to reduce alcohol related harm in Scotland and the introduction of the Bill itself. Alcohol Concern believes that alcohol misuse should be considered a public health issue with the same status as smoking and obesity. We welcome this strategy which recognises the need to drive consumption down and change the culture of heavy drinking across the entire population.
2.2 Alcohol misuse is a major public health issue. A recent World Health Organisation report identifies alcohol as the third highest risk to health in developed countries. 1
2.3 Alcohol consumption in Scotland is higher than in England and Wales. In 2007 in Scotland it was estimated that 12.2 litres of pure alcohol were sold per person over the age of 18, almost 2 litres higher than in England and Wales (10.3 litres).2
2.4 Consumption estimates for Scotland show that among those who had drunk alcohol in the past week, 63% of men and 64% of women drank more than the recommended daily limits on their heaviest drinking day.3
2.5 In 2007/08 in Scotland, there were 42,430 alcohol related discharges from general hospitals. This equates to a discharge rate of 777 per 100,000 population.4
2.6 In 2007, there were 55,986 deaths registered in Scotland. Of these, alcohol was the ‘underlying cause’ of death in 1,399 (2.5%) of cases5.
2.7 A report by the York Health Economics Consortium at the University of York in January 2010 concluded that ‘alcohol misuse imposes a substantial burden on Scottish society, costing between about £2,476.6 million and £4,635.4 million per year at 2007/08 prices. Based on the mid-point of this range, 7.5% of costs are due to health service expenditure, 6.5% to social work services, 20.4% to crime, 24.3% to

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3 Ibid.
4 Ibid.
5 Ibid.
productive capacity, and 41.2% to wider social costs. In terms of the statutory agencies, alcohol misuse imposes the greatest burden on the health care system, followed by social care services.\(^6\)

3. The advantages and disadvantages of establishing a minimum alcohol sales price based on a unit of alcohol

3.1 Increasing the price of alcohol has been shown to reduce alcohol-related harm across all population groups. Furthermore, some groups of drinkers are more price sensitive than others. Young drinkers, and frequent and heavier drinkers, tend to experience a more significant reduction in consumption levels than less frequent and moderate drinkers.\(^7\) This is because hazardous drinkers tend to choose cheaper drinks, this is true for both young binge-drinkers and for problem drinkers.\(^8\)

3.2 The School of Health and Related Research, University of Sheffield, produced an influential review of minimum pricing for Scotland in September 2009.\(^9\) This research modelled the potential impact of minimum pricing at various levels and on a variety of population groups and built on previous work completed for the UK Department of Health. The research found that moderate drinkers would experience only a negligible negative financial effect if minimum pricing was introduced. For example, a minimum price of 50p per week would mean a less than £1 per month increase in spending on alcohol per moderate drinker.\(^10\)

In a recent study, Record and Day have shown that since 80% of alcohol is consumed by 30% of the population, the introduction of a 50p per unit minimum price would result in 70% of the population financially benefitting, as moderate drinkers would no longer be subsidising the consumption of hazardous and harmful-level drinkers. This is because the 24% increase in average off-sale prices could be offset by supermarkets reducing the price of non-alcoholic products by 2.8%.\(^11\)

3.3 The research from the School of Health and Related Research found that a minimum price of 50p per unit of alcohol would, in Scotland:

- Reduce alcohol-related hospital admissions by 8,900 per annum (3,600 for a 40p minimum price).
- Give a cumulative discounted financial value of harm reduction over ten years of £1.3bn.
- Reduce health and social care costs (due to reduced illness and admissions) by £160m.
- Reduce by 35,000 days absent from work per year.
- Reduce consumption of moderate drinkers by 3.9% and increase in spending of £12.89 per year, or just over £1 per

\(^9\) School of Health and Related Research (2009) ‘Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland: A Scottish adaptation of the Sheffield Alcohol Policy Model version 2’
\(^10\) Ibid.
month. If a moderate drinker does not reduce their consumption, they will spend £15.54 extra per year under this price level.

- Reduce consumption of harmful drinkers by 12.6%, leading to (once in full effect) 297 fewer deaths per year and 4,700 fewer alcohol-related hospital admissions per year in this category.

3.4 The introduction of minimum pricing is supported by the Chief Medical Officer for Scotland, BMA Scotland, Scottish Health Action on Alcohol Problems, Alcohol Focus Scotland, the Royal College of Physicians Edinburgh and the Church of Scotland.

4. The level at which such a proposed minimum price should be set and the justification for that level.

4.1 The ScHARR review concluded that ‘increasing levels of minimum pricing show steep increases in effectiveness.’ The higher the price set, the greater the harm reduction gains.

4.2 Alcohol Concern advocates a 50p per unit minimum price for alcohol, in line with the recommendations of the Chief Medical Officer for England. Setting a 50p level would result in a significant reduction in alcohol-related harms, whilst ensuring that alcohol remains affordable for moderate drinkers.

4.3 There are significant gains to be made from a 50p minimum price as opposed to a 40p minimum price. A 50p minimum price level will result in a reduction in consumption of 7.2%, with a 40p price level leading to a reduction of only 2.7%. In terms of the cumulative discounted financial value of harm reduction over ten years, the savings of £540m with a 40p level applied are more than doubled for a 50p level, to £1.3 billion. Furthermore, lower minimum price thresholds are associated with reductions in beer/cider and spirit consumption but increases in wine consumption due to switching behaviour, the encouragement of which should of course be avoided in favour of a reduction in consumption across all drink types. Wine consumption does not even begin to decrease until the minimum price level reaches 45p, therefore this is lowest point which can be considered to avoid the problem of ‘switching behaviour’.

5. The rationale behind the use of minimum pricing as an effective tool to address all types of problem drinking.

5.1 Research shows that alcohol responds to price increases like most consumer goods on the market, i.e. when other factors remain constant an increase in the price of alcohol generally leads to a decrease in consumption. In support of this rationale, analysis of trends in alcohol price and consumption show that, as the price of alcohol has decreased in the UK, consumption has increased. Alcohol in 2008

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13 School of Health and Related Research (2009) ‘Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland: A Scottish adaptation of the Sheffield Alcohol Policy Model version 2’


was 75% more affordable than it was in 1980, the direct consequences of cheaper alcohol are higher consumption levels and higher levels of alcohol-related harm.

5.2 This principle also applies in reverse. Studies have shown that increasing price decreases the health harms caused by alcohol. It has been estimated, for example, that a 10 per cent increase in alcohol prices in the UK would lead to a ten per cent fall in consumption. A study by the Alcohol Health Research Unit for Alcohol Concern in 2009 found that an increase in per capita alcohol consumption would directly increase the amount of alcohol-related mortality. A 2006 study found that increased beer prices would result in substantially fewer violent injuries and reduce demand on trauma services.

6. Possible alternatives to the introduction of a minimum alcohol sales price as an effective means of addressing the public health issues surrounding levels of alcohol consumption in Scotland.

6.1 The use of taxation may be considered as an alternative to minimum price with the intention of reducing alcohol consumption. However, the use of taxation is unlikely to yield similar alcohol harm reductions for the following reasons. Firstly, the aim of minimum pricing is to ensure that retailers are unable to sell alcohol below a baseline cost; it is a fundamentally different approach to changes in taxation. Therefore, even when offering price promotions and discounts, the price per unit of alcohol must not fall below the designated minimum. A minimum price per unit which applies to all alcohol types is necessary to ensure that the policy is effective. The application of an across-the-board unit price ensures that drinkers do not switch to other types of alcohol with a lower per unit price. Secondly, minimum price has a more significant effect on prices on the off-trade, ensuring that cheap alcohol is brought up to an appropriate level in off-trade retailers while having a negligible effect on prices in the on-trade. There is no guarantee that increases in taxation will be passed on to the consumer by supermarkets, which may prefer to absorb duty rises in order to continue to offer alcohol as a loss leader to increase footfall. This will further disadvantage the on-trade which will be forced to increase prices to reflect increases in taxation.

6.2 A ban on off-trade discounting has also been put forward as an alternative to minimum pricing, and was scrutinised in the SchHARR report. While a ban on off-trade discounting would eliminate harmful price promotions, it would not solve the problem of cheap alcohol sold at a routinely low per unit price. The overall effect of a ban on off-trade discounting is a reduction in consumption of only 3%, 4.2% less than that a minimum price level of 50p would achieve. Therefore, an off-trade ban should not be considered an alternative to minimum price.

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17 British Academy of Medical Sciences (2004) ‘Calling Time – The nation’s drinking as a major health issue’
18 Alcohol Health and Research Unit & Alcohol Concern (2009) Future Proof – Can we Afford the Cost of Drinking Too Much? Mortality, Morbidity and Drink-Driving in the UK
though Alcohol Concern recommends that it should be considered in addition to minimum price, which compounds the effect of minimum price with further consumption reductions (for a minimum price of 50p, an off trade ban adds a further 2% reduction in consumption).  

7. The advantages and disadvantages of introducing a social responsibility levy on pubs and clubs in Scotland

7.1 Alcohol Concern welcomes the introduction of a Social Responsibility Fee for on-trade retailers, for premises whose activities have shown to impact negatively on the wider community, and which generate increased activity for enforcement services. This is a well-established principle, the ‘polluter pays’ principle, borrowed from environmental law. The significant advantage would be the contribution towards the costs of dealing with the adverse impact that some businesses generate, for example costs of policing, A & E admissions and other services. Furthermore, it will ensure that the full burden of others’ alcohol misuse is not met by the taxpayer.

7.2 Alcohol Concern agrees that local authorities should be able to determine priorities in their area with regard to how the levy is spent. This will allow them to identify how to best use the additional money in order to further the objectives of the Licensing Act 2005, including the public health objective therein. We agree that the Social Responsibility Fee should not become an alternative to established sources of funding for dealing with the negative impact of alcohol misuse in the night-time economy.

Further information

Alcohol Concern is a member of the Alcohol Health Alliance. For further information please contact the Media and Public Affairs Officer on 020 7264 0514.

Don Shenker
Chief Executive
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20 School of Health and Related Research (2009) ‘Model-Based Appraisal of Alcohol Minimum Pricing and Off-Licensed Trade Discount Bans in Scotland: A Scottish adaptation of the Sheffield Alcohol Policy Model version 2’