Part 1
Pricing of alcohol

1 Minimum price of alcohol

In this document we have not felt it necessary to outline the full extent of alcohol related problems in Scotland today, as there is evidence readily available within the public domain which highlights the seriousness of the problem. However, anyone seeking evidence on the extent of the health problems, deaths and social harm can look here: Alcohol Focus Scotland or Alcohol Information Scotland.

Advantages and Rationale - The evidence shows clearly that the cheaper the price of alcohol, the more that we consume. This increase in consumption has resulted in an increase in the harm that is being recorded across the spectrum of health and social issues. We believe that cheap alcohol is making a bad situation worse, with alcohol now being 69% more affordable than in 1980, with consumption increasing by around 20% over the same period. Alcohol Focus Scotland therefore fully supports the introduction of minimum pricing because it specifically targets cheap strong drinks which will ultimately reduce harm.

We believe that the Sheffield Review and Modelling Study provides an outline of the reduction of levels of alcohol related harm and lives saved each year that can be achieved with the minimum pricing model and also the savings that can be made for the NHS.

It is not simply problem drinkers who place a burden on the economy, indeed studies have shown that a much higher number of drinkers who drink to excess on occasions, place a strain through traffic accidents, falls and various unintentional injuries. The benefits of minimum price are wide ranging across society:-

- The health of Scottish people – lives will be saved each year through better health;
- Low income and social disadvantage – these groups are the most affected by alcohol problems – almost two-thirds of all alcohol related deaths in Scotland in 2007 were amongst the most deprived members – preventing the sale of cheap alcohol will actually show the greatest health benefit in this group;
- Heavy drinkers and their families – price sensitivity is most apparent here and if the drinker is drinking less, families and the drinker will both benefit;
- Moderate drinkers effectively subsidise harmful and hazardous drinkers – The current policy of low alcohol prices means that
responsible drinkers are subsidising the behaviour of the 25% of the population drinking harmfully\(^1\). Savings will occur because of a reduction in policing, health and social care costs.

- **Pub\(s\) and Restaurants** – Many in the trade support minimum pricing (SLTA, BII etc.,) as cheap off trade alcohol is now recognised by many in the trade as their biggest threat;
- **Industry** – University of Aberdeen has shown that what is lost in volume of sales, will be replaced by the increase in profits;
- **Small retailers** - Will be on a level playing field with supermarkets.

**Possible alternatives** - Some will argue for taxation to be increased as an alternative, but there have been two tax increases during 2008, yet there is no evidence to show these tax increases being passed on to the consumer. Supermarkets and bigger retailers, absorb these increases and continue to use alcohol as a loss-leader, so continuing to contribute to the high levels of consumption and harm.

Variations on price controls are being used throughout the world. Russia has recently introduced minimum pricing for vodka with the aim of reducing harmful alcohol consumption, and an Australian health taskforce has recently recommended new policy measures to reduce harmful consumption, including the means to regulate a minimum price. Those who have publicly stated support for minimum pricing include:

- Scottish & UK Medical and Nursing Royal Colleges
- British Medical Association (BMA)
- Four Chief Medical Officers of the UK
- National Institute for Clinical Excellence (NICE)
- Scotland’s Public Health Directors
- The British Liver Trust
- Alcohol Concern
- SHAAP (Scottish Health Action on Alcohol Problems)
- Strathclyde Police Violence Reduction Unit
- Church of Scotland
- ChildLine
- Scottish Licensed Trade Association
- UK Health Select Committee’s Alcohol Inquiry (publication of report 8\(^{th}\) Jan 2010)
- Welsh Government Assembly
- Health Minister of the Government of Northern Ireland
- World Health Organisation
- Tennents and Coors have said that the principle of minimum pricing is worthy of support

---

\(^1\) Britain's alcohol market: how minimum alcohol prices could stop moderate drinkers subsidising those drinking at hazardous and harmful levels. *Clin Med* 2009, Vol 9, No 5: 421–5, C Record and C Day
Opponents:
- The Scotch Whisky Association has been the most vocal in opposing minimum pricing
- Wine & Spirit Association

It also seems clear that a political consensus is emerging which accepts the evidence which links price, consumption and harm.

“Meal Deals” – Alcohol Focus Scotland believes that meal deals offered by large retailers, such as those advertised as “Dine in for £10, encourage the buying and consumption of alcohol. These meal deals offer consumers two or three food products – such as a starter, a main course and a side dish – which if bought individually would cost close to the advertised price. These deals also include a bottle of wine, normally without a non-alcoholic alternative. We feel this normalises the consumption of alcohol as an everyday commodity and it is too good an offer for most shoppers to resist, meaning they acquire alcohol even when this was not their original intention.

If alcohol can no longer be promoted within stores, outwith the designated alcohol section, as part of the Licensing (Scotland) Act 2005 we believe stores will be unable to continue with these offers – which are advertised in the food and alcohol sections -without being in breach of this Act.

We are concerned that there is the potential for minimum pricing to be undermined by retailers selling alcohol through such package deals e.g. food or other goods being given away when buying alcohol.

Any promotional package that includes alcohol should also be available to purchase without the alcohol at the package price minus the cost of the alcohol. For example: Assume the minimum price is set at 40p per unit. Where a meal deal for £10 includes one 750ml bottle of wine at 12%ABV (9 units); one main course for 2 people, one side dish for 2 people and one desert for two people, a customer who does not wish a bottle of wine should be able to purchase the main course, side dish and desert for £6.40

There is no one single policy measure that can be introduced on its own which will solve all problems associated with harmful drinking. However, we, along with many of those concerned with the effects of alcohol on health have come to realise that controlling the cheap price of alcohol is the most important measure that can be taken.

2 Minimum price of packages containing more than one alcoholic product

Alcohol Focus Scotland supports the proposition that there should be no financial incentive for purchasing larger amounts of alcohol. Regardless of the amount bought by a customer, whether it is one or 24, the cost of individual containers needs to remain the same.
We would like to see an amendment in the Bill calling for all retailers to sell drinks containers (bottles, cans etc..) in any amounts requested by a customer. For example, if a customer only wants two cans of a product, they should not be forced to purchase a minimum pack of six.

**Drinks promotions**

3 Off-sales: restriction on supply of alcoholic drinks free of charge or at reduced price

Alcohol Focus Scotland supports the prohibition of irresponsible drinks promotions for on-sales and off-sales.

It is unclear as to why paragraph 8 (drinks promotions encouraging persons to buy or consume larger measures) will only apply to on-sales and not off-sales. We appreciate that actual consumption does not take place on the premises of off-sales but we believe the basic principle, that people should not be encouraged to buy more than they had intended, still applies and applying restrictions across all licensed premises would keep things equitable and lead to a reduction in consumption and subsequent harm. We recommend that all the clauses under Section 8 (2) a) to h) should be applied to both on and off settings. This would make the irresponsible promotions rules clear and easily understood.

The ability of retailers to be inventive in circumventing restrictions on promotional offers should not be underestimated. We feel the application of all clauses to off settings as well, will reduce the possibilities for such invention.

4 Off-sales: location of drinks promotions

Alcohol Focus Scotland believes that there is ambiguity in terms of interpretation of the vicinity of the premises. For example, will this rule out billboard ads next to stores selling alcohol, or advertising on buses going past stores etc? Also, we feel that difficulties could arise where newspapers are sold on the premises which contain adverts, or promotional offers, for alcoholic products or for alcohol promotions in stores in England. stores also selling newspapers advertising promotions in UK wide stores.

**Age verification policy**

5 Requirement for age verification policy

Alcohol Focus Scotland supports this.

**Modification of mandatory conditions**

6 Premises licences: modification of mandatory conditions

Alcohol Focus Scotland supports this.
7 Occasional licences: modification of mandatory conditions

Alcohol Focus Scotland supports this.

Sale of alcohol to under 21s etc.
8 Off-sales: sale of alcohol to under 21s etc.

Alcohol Focus Scotland is concerned that if each Licensing Board were to operate independently there could be a confusing patchwork of rulings across the country. It would be really helpful if we could encourage good practice for Licensing Boards to discuss problem areas with neighbouring Licensing Boards, so that a situation does not arise where one end of a street has taken action, but the other end has not because it falls under a different licensing board.

An amendment could be made at 7.4b iii “other persons” could include neighbouring licensing boards.

Otherwise we are in support of this as evidence from areas where this has been tested (albeit with adequate enforcement resources in place) has shown that this can be effective in reducing anti-social behaviour.

Variation of licence conditions
9 Premises licences: variation of conditions

Alcohol Focus Scotland believes that there are major risks in such a blanket approach. Currently a Licensing Board must have a legitimate reason to review a premises licence and the premises licence holder has the opportunity to be heard at any such review. This amendment would allow a Licensing Board to change key components of premises licences with no reference to the quality of the operation and with no opportunity for the licence holder to put his point across. This may punish well-run licensed premises. We recommend that such variations of conditions should be enabled but that the process should involve a hearing (similar to that in a review hearing) where the licence holder(s) have the opportunity to put their case or alternatively that a consultation requirement be introduced. It is important that the effects of any change, intended or otherwise, are fully debated.

PART 2 - Licence Holders: Social Responsibility Levy
10 Licence holders: social responsibility levy

Alcohol Focus Scotland supports the introduction of such a levy aimed at any business which currently profits from the sale of alcohol. The Bill does not include information on how the money raised will be used. We suggest such a levy should be used to offset the increased cost to services such as police, city safe zones and A & E provision etc or in creating positives alternatives which help to reduce the problems such a youth diversionary activities etc.
11 Regulations under section 10(1): further provision

Additional information:-

**Clarity on pricing promotions and reductions** – wording on ‘sales’ e.g. Was / Is Now. Alcohol Focus Scotland believes that this type of advertising is appropriate for within dedicated alcohol sections, when a consumer has already made the decision to buy alcohol.

**Glass sizes** – Alcohol Focus Scotland still believes that the practice of ‘go large’ (selling alcohol in larger measures) is inappropriate when selling and serving alcohol. All drinks should be offered in the smallest measure size e.g. 125ml for wine, in the first instance, unless a customer asks for a larger one. We are aware that Westminster is currently considering this issue and hope that the Scottish Government can re-consider this if they decide not to pursue the issues.

Jack Law
Chief Executive
Alcohol Focus Scotland
20 January 2010