East Ayrshire Alcohol and Drug Partnership

Thank you for the opportunity to provide evidence to the committee on the above Bill. East Ayrshire Alcohol and Drug Partnership (ADP) wishes to make the following comments.

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

East Ayrshire ADP supports minimum pricing for alcohol since there is a clear relationship between price and consumption of alcohol. As price increases, consumption decreases, although not equally across all drinkers. Price increases generally reduce heavy drinkers’ consumption by a greater proportion than they reduce moderate drinkers’ consumption. The specific means of increasing prices can be targeted further to minimise the impact on those who drink at low-risk levels while significantly decreasing the consumption of those who drink above these levels. This is possible because those who drink more tend to choose cheaper drinks. Introducing a minimum price per unit of alcohol would therefore affect heavier drinkers far more than those who drink in moderation.

The setting of a minimum price for alcohol would need to be done in a way that is compatible with both national and EU competition laws. Whether a minimum pricing system is compatible with these laws will depend on how it is done and by whom. Considerations relating to the principles of free movement of goods across the EU may also need to be taken into account. The OFT also explains that the Secretary of State could make an order excluding the provisions of Chapter I from being applicable to a certain type of agreement. Paragraph 7 to Schedule 3 of the 1998 Act states that the Secretary of State may make an order to exclude the application of the Chapter I prohibition from an agreement or category of agreements, where there are “exceptional and compelling reasons of public policy” for doing so. The OFT cautions however that: This provision has not been invoked since the inception of the Act; however, it is likely to be construed very strictly and may require clear evidence linking minimum pricing to lower alcohol consumption and reduction in violent crime and also evidence that minimum pricing is indispensable in achieving these aims.

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

East Ayrshire ADP supports a minimum price of between 40p and 60p given the study by Queen Margaret University and Royal Edinburgh Hospital researchers, which focused on users accessing alcohol problems services in Edinburgh, concluded that "The lower the price that a patient paid per unit, the more units he/she consumed." This study found that the average price per unit paid by users accessing alcohol problems services is below the average
price per unit paid in Scotland as a whole. That means that people with alcohol problems are purchasing cheaper alcohol than the general population. Therefore minimum pricing is likely to have a higher impact on this group than the population as a whole.

This table illustrates how minimum pricing at 40p and 60p per unit would affect a range of alcoholic drinks. The table highlights that the impact of minimum pricing would vary, for example, many bottles of wine would not be affected whereas cheap bottles of spirits may see significant increases.

<table>
<thead>
<tr>
<th>Product</th>
<th>% vol</th>
<th>Current price</th>
<th>Minimum price at 40p per unit</th>
<th>Minimum price at 60p per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>70cl bottle of Gin, Sainsbury's own brand</td>
<td>37.5</td>
<td>£6.29</td>
<td>£10.50</td>
<td>£15.75</td>
</tr>
<tr>
<td>70cl bottle of vodka</td>
<td>37.5</td>
<td>£7.78</td>
<td>£10.50</td>
<td>£15.75</td>
</tr>
<tr>
<td>Four 587ml cans of Stella Artois</td>
<td>5</td>
<td>£4</td>
<td>£4.48</td>
<td>£6.74</td>
</tr>
<tr>
<td>75cl bottle of Buckfast</td>
<td>15</td>
<td>£7</td>
<td>£7</td>
<td>£7</td>
</tr>
<tr>
<td>2l bottle of Tesco value dry cider</td>
<td>4.2</td>
<td>£1.21</td>
<td>£3.36</td>
<td>£4.94</td>
</tr>
<tr>
<td>70cl bottle of Famous Grouse</td>
<td>40</td>
<td>£12</td>
<td>£12</td>
<td>£16.80</td>
</tr>
<tr>
<td>La Giosa Pinot Grigio (Tesco)</td>
<td>12</td>
<td>£3.79</td>
<td>£3.79</td>
<td>£5.40</td>
</tr>
<tr>
<td>Tesco California Merlot</td>
<td>13</td>
<td>£3.79</td>
<td>£3.79</td>
<td>£5.70</td>
</tr>
</tbody>
</table>

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

The health and public order issue is not simply “people drink too much alcohol”, but “there is credible evidence that certain identified health and public order problems are attributable (to a significant extent) to certain identified patterns of purchase of alcohol.

The proposed minimum pricing legislation is a fine-tuned measure that precisely targets those patterns and there is credible evidence that it will disrupt them and thereby diminish the incidence of the identified health and public order problems; the circumstances the proposed minimum pricing legislation is, if anything, a less disproportionate response to the identified problem than would be an across-the-board increase in duty.

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

Although there is clear evidence that heavy drinkers are more affected than other drinkers; at least in absolute terms of numbers of drinks forgone, by
changes in the tax level, tax increases also appear particularly to affect the drinking of underage drinkers. As our current policy shows using tax as a lever to lower consumption is not the policy option with the most impact. Many retailers are able to undermine the impact of tax increases by refusing to pass on the higher costs to consumers. Large retailers, in particular supermarkets, have admitted that they routinely sell alcohol at below cost prices in order to attract custom. Where in 2004 the government reduced alcohol excise duty by an average of 33% in order to reduce the number of cheap imports from abroad. The result was an immediate 17% increase in alcohol-related mortality, equivalent to approximately eight additional alcohol-related deaths per week.

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

This section gives the Scottish Ministers a power through regulations to impose a charge on certain holders of licences under the 2005 Act and the Civic Government (Scotland) Act 1982. Money raised by the charge will be for local authorities to use in contributing towards the costs of dealing with the adverse effects of the operation of these businesses, for example extra policing or street cleaning or in furthering the licensing objectives listed in section 4 of the 2005 Act.

The public are increasingly demanding to see a clearer link between the taxes/levies they pay and the service they receive; and may be frustrated by the complex arrangement of such levies. Any reforms should aim to simplify the system and such levies should ideally be held to account for the value of service achieved through the received revenue. Increased transparency would lead to increased accountability, as the public would have better information. Unfortunately the Bill provides no detail of how a social responsibility levy will be administered. Concerns centre on the advantages and disadvantages of nationally prescribed arrangements as opposed to benefits of a flexible approach left to local authorities' discretion. Concerns noted that it will be an additional cost and burden for retailers and licensees this new measure must be more than just tokenism and reinforcement of the existing legislation would aid it significantly.

The justification for empowering licensing boards to raise the legal alcohol purchase age in their area to 21

Majority of young people legally able to purchase alcohol do so responsibly. Powers may be needed for two reasons – in areas where there is either considerable pressure on retailers to sell to those under the legal age for purchase e.g. through intimidatory presence of young people around shop access, or where there is a significant problem associated with sales to those aged 18 to 20 years such as antisocial behaviour, violence or other crime. Alternatives may also be available in these circumstances.
The role of promotional offers and promotional material in encouraging people to purchase more alcohol than they intended

All forms of alcohol promotion are inappropriate and should be restricted through the use of appropriate legislation. In a highly competitive market, it is not realistic to expect retailers to reduce voluntarily their promotion of products aimed at increasing footfall into stores.

Any other aspects of the Bill

E.g. Controls on availability of ‘fortified’ alcoholic beverages with caffeine used as a stimulant alongside the depressant effects of alcohol.
Support general principles
Reinforce everyone’s responsibility
Need to ensure non-stigmatisation of people with harmful or dependent use

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20 January 2010