

Health, Social Care and Sport Committee

4th Meeting, 2023 (Session 6), Tuesday, 6 February 2024

Post-legislative scrutiny: Alcohol (Minimum Pricing) (Scotland) Act 2012

Note by the clerk

Background

1. In 2007, the newly elected Scottish Government announced its intention to implement a minimum unit price for alcohol (MUP). The intention at the time was to do this via subordinate legislation. However, following objections from opposition parties, the Scottish Government decided to bring forward primary legislation to bring the policy into force.
2. At the time MUP was first proposed, there were no countries which had implemented the policy. The rationale therefore drew together existing research which examined the effect of alcohol consumption on health and social harms, and the effect of price on alcohol consumption.
3. The Alcohol (Minimum Pricing) (Scotland) Bill was introduced in 2011 and passed on 24 May 2012, which set the unit price at 50p. Notably, the Bill contained a “sunset clause” and a requirement for Scottish Ministers to produce a report on the operation and effect of MUP during the first 5 years of the provisions being in force.
4. At its meeting on 27 June 2023, the Committee agreed to undertake post-legislative scrutiny of the operation and effect of the Alcohol (Minimum Pricing) (Scotland) Act 2012. This was agreed in anticipation of an order potentially being brought before the Scottish Parliament to extend the provisions of the Act in some form beyond the current scheduled expiration date of 30 April 2024.
5. Public Health Scotland published its [final report](#) on “Evaluating the impact of minimum unit pricing for alcohol in Scotland” on 27 June 2023. In response, the Scottish Government published a [report](#) on 20 September 2023 entitled “Alcohol (Minimum Pricing) (Scotland) Act 2012 – operation and effect 2018 to 2023”.
6. The Public Health Scotland report concludes that its evaluation of the policy “has demonstrated that MUP has contributed to reducing alcohol-attributable deaths and hospital admissions in Scotland relative to England”. In support of this conclusion, the report cites evidence of “a 13.4% reduction in wholly attributable deaths, driven by reductions in deaths from chronic alcohol conditions” and “a

smaller (4.1%) reduction in wholly attributable hospital admissions, again driven by reductions in chronic alcohol conditions”.

7. The Public Health Scotland report further concludes that “the estimated reductions in deaths and hospital admissions were largest among men and those living in the 40% most deprived areas in Scotland”.
8. The report also concludes that “There was no clear evidence of substantial negative impacts on the alcoholic drinks industry, or of social harms at the population level”.
9. On [7 November 2023](#), the Committee took evidence from Public Health Scotland on key findings from its evaluation of minimum unit pricing for alcohol in Scotland.

Today’s meeting

1. At today’s meeting, the Committee will take evidence from representatives of charities with a focus on alcohol harms, and then from representatives of alcohol manufacturing and trade organisations.
2. Witnesses were invited to submit written evidence ahead of the session, which can be found in **Annexes A–E**.

Clerks to the Committee
1 February 2024



RESPONSE TO HEALTH, SOCIAL CARE AND SPORT COMMITTEE CALL FOR VIEWS ON THE ALCOHOL (MINIMUM PRICING) (SCOTLAND) ACT

Alcohol Focus Scotland (AFS) is the independent national charity working to prevent and reduce alcohol harm. We aim to reduce the impact of alcohol in Scotland through the implementation of effective alcohol control policies and legislation. AFS welcomes the opportunity to respond to the Scottish Parliament's Health, Social Care and Sport Committee's call for views on the Alcohol (Minimum Pricing) (Scotland) Act.

Overview

MUP has achieved its aim of reducing alcohol-related harm by both reducing population consumption and by targeting the consumption of people drinking at higher levels. It has also contributed to reducing alcohol-related health inequalities. Any negative unintended consequences have not been prevalent or typical.

It is essential that the minimum unit price is increased to 65p as a matter of urgency to make good inflation and help address the public health emergency of alcohol harm from the COVID-19 pandemic. Failure to increase the price would result in even higher levels of alcohol consumption and harm, placing a substantial additional burden on our NHS and on our economy.

AFS urges the Committee to recognise the need for an **automatic uprating mechanism** to ensure MUP rises in line with inflation. An Alcohol Harm Prevention Levy would also enable any **additional profits from MUP to be recovered from retailers and used to fund local action** on prevention, treatment and recovery support.

MUP must form **part of a wider package of measures** to reduce alcohol consumption and its related impact on our health, the NHS and the economy. Consultation by AFS with people with lived experience of alcohol problems highlights support for the increase of minimum unit pricing to 65p per unit and the introduction of an alcohol harm prevention levy.

MUP benefits Scotland's health and reduces our health inequalities

The Public Health Scotland evaluation concluded that MUP has had a positive impact on health outcomes.¹ **MUP significantly reduced rates of deaths from conditions that are only ever caused by alcohol** (such as alcohol-related liver disease and alcohol dependence syndrome) **by an estimated 13.4%**, compared to what would have happened without MUP;² this is equivalent to **an estimated 156 deaths averted per year**.³ MUP also **averted hospital admissions for these types of conditions by an estimated 4.1%**,⁴ equivalent to **an estimated 411 hospital admissions averted per year**.⁵

In addition, **MUP reduced deaths and hospital admissions rates due to alcohol from conditions where alcohol is not the sole cause** (such as cancers and cardiovascular disease), **averting a further estimated 112 deaths and 488 hospital admissions per year**.⁶

The positive health impact of the policy - *compared to what would have happened without MUP* - can be seen both in annual death statistics before the pandemic struck, and when comparing the rise in alcohol deaths in Scotland to England, since. In the first full year after MUP was implemented, there was **a 10% reduction in alcohol-specific deaths and a small reduction in hospital admissions from liver disease**.⁷ ⁸ Changing drinking habits during the pandemic,⁹ combined with reduced access to services, led to a **tragic 22% rise in alcohol-specific deaths** in Scotland between 2019 and 2021, however, **this was substantially lower than the 30% rise experienced in England**.¹⁰ MUP has

therefore mitigated the impact of the pandemic on alcohol deaths in Scotland, with death rates since likely to be much higher had MUP not been in place.

Significantly, the evaluation concluded that **MUP contributes to addressing alcohol-related health inequalities, with estimated reductions in deaths and hospital admissions from MUP largest among men and those living in the 40% most deprived areas in Scotland.**¹¹ This is important because people in lower income groups are over four times more likely to die from alcohol¹² and six times more likely to be hospitalised¹³ than people in higher income groups. Male deaths account for at least two thirds of all alcohol-specific deaths and alcohol-related hospital admissions.^{14 15}

MUP will have relieved some of the pressure and costs on the NHS in the five years since implementation, particularly through reduced hospital admissions. Public Health Scotland estimated that the 899 hospital admissions averted each year due to MUP would have cost the NHS £890,000.¹⁶

Removing MUP would therefore have a catastrophic effect on Scotland's health and our NHS. It is estimated that this would increase consumption by 5.4%, leading to an increase of 131 deaths and 1,751 hospital admissions in the following year, concentrated in the most deprived groups.¹⁷ There would also be **additional NHS hospital costs of £10m in the first 5 years, and £26.4m over 20 years.**¹⁸

These positive health effects are because MUP has reduced our alcohol consumption

MUP has **reduced how much alcohol we consume as a population**, with an estimated 3% reduction in total alcohol sales in the first three years of implementation.¹⁹

It has also **reduced consumption by those who drink at hazardous and harmful levels** (i.e., above the low risk drinking guidelines). Households that bought the most alcohol prior to MUP reduced their purchasing the most after implementation.^{20 21} This is because MUP successfully targeted a reduction in consumption of cheap, strong products²²**Error! Bookmark not defined.**²³ which were disproportionately consumed by people drinking at hazardous and harmful levels.²⁴ Research also found that **the proportion of people drinking at hazardous levels decreased by 3.5%.**²⁵ The evidence around consumption among harmful drinkers is more mixed, though some have reported cutting down due to MUP.²⁶ However, the evidence on harm - and specifically **the reduction in the number of people dying from alcohol - clearly demonstrates that harmful drinkers have reduced their consumption.**

The lack of unintended consequences from MUP

Prior to the implementation of MUP, there were **concerns around potential 'unintended consequences' of the policy.** However, the evaluation concluded that there was **no clear evidence of social harms at the population level.**²⁷ For example, there was no widespread increased use of other drugs due to MUP, no increases in crime rates (such as theft or violence), little indication of increased use of non-beverage or illicit alcohol, and minimal cross-border purchasing.²⁸

Some drinkers, especially those with dependence, did experience exacerbated existing social harms (such as financial pressures), but this was **not prevalent or typical.**²⁹ Alcohol dependence is a complex problem that once established, people may need intensive, individual treatment and support to overcome. While some dependent drinkers did report reducing their consumption due to MUP,³⁰ **the policy's greatest contribution to reducing alcohol dependence is by helping to reduce the risk of others becoming dependent in future.**

The evaluation also concluded that there was **no evidence of substantial negative impacts on the alcoholic drinks industry.** On the contrary, it is likely that retailers have benefitted from the policy. Sales data show an overall increase in revenue for alcohol retailers,³¹ and it was estimated prior to implementation that MUP would generate over £40 million per year for off-trade retailers.³² The Institute for Fiscal Studies has estimated that MUP results in windfall gains to off-trade retailers of £383m a year.³³ Recent estimates suggest that any increase in MUP would result in further additional off-trade revenue.³⁴

The MUP should be increased to 65p now

Along with more than 30 other organisations including medical bodies and children's charities,³⁵ Alcohol Focus Scotland is calling for the minimum unit price to be increased to at least 65p to account for the impact on inflation and tackle Scotland's public health emergency of alcohol harm.

Inflation has eroded the value and effect of MUP since it was set at 50p per unit in 2018. Today, the MUP would have to be 62.5p to have the same effective value as 50p had in May 2018.³⁶ As a consequence, alcohol consumption in Scotland was an estimated 2.2% higher in 2023 than it would have been had the MUP risen in line with inflation.³⁷ **Continuing MUP without increasing the price would, in effect, be a choice to decrease the price in real terms, which will lead to increased alcohol consumption and harms.** Should the level remain at 50p, it is estimated that consumption will be 3.4% higher by 2040, leading to 1,076 additional deaths, 14,532 additional hospital admissions, and £17.4million in additional NHS hospital costs over this period.³⁸

An increase of the price to 65p now would also help address the public health emergency of alcohol harm, which the Scottish Government has recognised has been brought about by the rise in alcohol-specific deaths from the pandemic.³⁹ ⁴⁰ Unfortunately, there is no sign of this emergency abating any time soon.⁴¹ In the worst case scenario, where changes in our consumption from the pandemic persist into the long term, there would be **an estimated 7,536 additional deaths and 72,140 additional hospitalisations over 20 years, with an estimated additional cost of between £10.9m and £82.2million by 2040 in hospital costs alone.**⁴²

In the face of these significant alcohol-related health challenges, and in the wider context of Scotland's dual health challenges of low and falling life expectancy and widening inequalities, **MUP must be set at a level that would result in additional public health benefits.** Compared to increasing to 60p per unit, **an increase to 65p per unit would reduce consumption by an estimated 2.7%, leading to an estimated 60 fewer deaths each year in the first year, totalling around 1,000 fewer deaths by year 20.**⁴³ Other benefits include an estimated additional 774 hospital admissions averted in the first year alone, and a reduction of £5m in NHS hospital costs in the first 5 years, rising to £16.4m over 20 years.⁴⁴ The largest reductions in health harms from an increased MUP threshold would be among the most deprived groups, with **approximately a third of the deaths averted being in the most deprived quintile of the population.**⁴⁵

MUP should be automatically adjusted and regularly reviewed

In line with World Health Organization (WHO) advice and proposed by the NCD Alliance Scotland,⁴⁶ ⁴⁷ AFS urges the Committee to support **embedding the adjustment of the minimum price into legislation,** automatically increasing the MUP to ensure alcohol does not become more affordable by pegging it to a set level of inflation or affordability. This has been done in the Ontario province in Canada, where off-trade minimum prices are automatically increased.⁴⁸ In addition, we propose that the price level should be subject to periodic review by Public Health Scotland who can advise on any adjustments required to maintain or increase its effectiveness. **This must be implemented as soon as possible to limit the impact of deflation from the introduction of any new price.**

Introduce a levy to recoup profits to retailers

As noted above, MUP has resulted in probable increased revenues to off-trade retailer. It is unclear how this impacts on profits⁴⁹ but what is clear is that producers themselves believe retailers are benefiting from increased profits.⁵⁰ **AFS would welcome the Committee's consideration of the introduction of an Alcohol Harm Prevention Levy,** as proposed by the NCD (non-communicable diseases) Alliance Scotland.⁵¹ This would **recoup the additional profits from MUP to support local action on prevention as well as improved treatment and recovery support.** It would apply to retailers licensed to sell alcohol, via a supplement on non-domestic business rates, drawing on the tried and tested model of the public health supplement which raised nearly £96m between 2012 and 2015.

AFS is pleased to see the **Scottish Government's recent commitment to explore reintroducing a Public Health Supplement** ahead of the next budget.⁵² We will shortly be publishing research from

24/01/2024

the Fraser of Allander Institute on a levy on non-domestic rates on alcohol retailers, which we will share with the Committee as soon as it is available.

MUP must be part of a package of measures to address alcohol harm

MUP was never intended to tackle Scotland's unhealthy relationship with alcohol on its own. The Scottish Government's own alcohol strategy contains 20 actions to reduce alcohol consumption and harm in Scotland, though a number of these have yet to be fully implemented. Pricing policies have the strongest evidence of success in impacting on alcohol consumption and alcohol-related harm, as identified by the WHO.⁵³ **Price must therefore continue to be a cornerstone of the Scottish Government's approach to reducing alcohol-related harm**, but to effectively address the public health emergency of alcohol harm, **a wider package of measures needs to be implemented including other evidence-based, preventative policies such as controlling the ready availability of alcohol and restricting how alcohol is marketed**. These policies must be accompanied by increased investment in the early identification of those at risk of harm (including through the provision of alcohol brief interventions across a range of settings and enhanced liver testing), as well as improvements in person-centred treatment and recovery support to ensure timely access for those who are already experiencing alcohol problems.

Lived experience views: Borders in Recovery

AFS held two sessions with Borders in Recovery, following an invitation from them to discuss MUP. They indicated they would like us to share their views with the Committee:

The group was strongly in favour of raising the minimum unit price, feeling that it should be set at higher than 65p:

"To politicians I would say we're in the middle of a crisis with alcohol deaths. So we should not be thinking about doing away with minimum unit pricing. We should absolutely be increasing the level of minimum unit pricing."

The group recognised the **limited impact of MUP on current dependent drinkers** but noted the importance of MUP in preventing people from developing dependency in the first place. It was also discussed how Scotland's attitude and culture towards alcohol is problematic, and **prevention policies like MUP play a significant role** in changing that.

"I don't think it will discourage the people that are in active addiction at the moment and people that are dependent on alcohol. But I think it's more about making sure that the next generation isn't following in their footsteps and nobody wants their children to grow up to be alcoholics."

An **alcohol harm prevention levy was a very popular idea** with the group. Members of the group were shocked and frustrated to discover that retailers are profiting from the policy as it currently stands and thought the money would be better spent on alcohol treatment and care. It was mentioned that the recovery sector is underfunded, and it can be a struggle to receive funding for recovery groups:

"It's crazy the money goes to retailers. Recovery communities struggle to get a hold of it and when we do it's often not enough."

"We need to look at what we do with the money that's been raised through alcohol and minimum unit pricing and channel it back into recovery communities and back into treatment programmes for people who've got alcohol problems."

The Group discussed the figures from the Sheffield 2023 report looking at the future impact of the pandemic and **asked why some politicians are still against MUP despite evidence that without it, more lives would be lost by 2040**:

"It's frustrating...politicians, maybe they should do a course or something on seeing sense... I can be quite outspoken, but the reality is we're dealing with people's lives here, we really are."

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Efficacy of Minimum Unit Pricing (MUP)

Scottish Health Action on Alcohol Problems (SHAAP) is a partnership of the Medical Royal Colleges in Scotland and the Faculty of Public Health and is based at the Royal College of Physicians of Edinburgh (RCPE). SHAAP provides the authoritative medical and clinical voice on the need to reduce the impact of alcohol-related harm on the health and wellbeing of people in Scotland and the evidence-based approaches to achieve this.

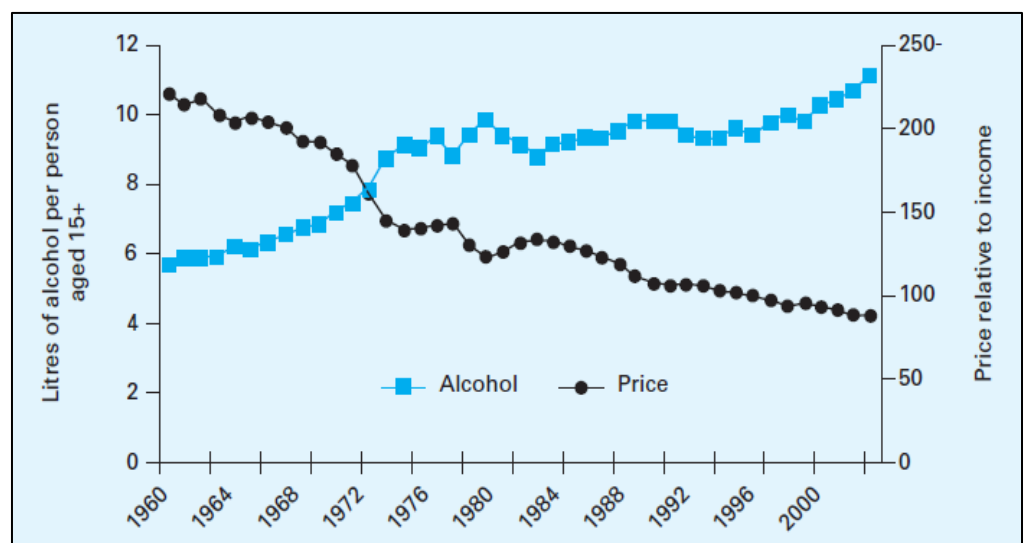
Every day in Scotland, more than 3 people lose their livesⁱ and almost 100 more are hospitalisedⁱⁱ because of alcohol. All of these harms are avoidable.

Background to MUP

Minimum Unit Pricing (MUP) was developed in response to Scotland's alarmingly high levels of alcohol consumption and related harms, especially in comparison to our neighbouring countries. In 2016, alcohol death rates were 54% higher in Scotland than in England and Wales,ⁱⁱⁱ with more than 3 people dying avoidable deaths from alcohol every day.

Policies which target the pricing of alcohol were (and continue to be) recommended by the World Health Organization as the most successful and cost-effective measures to reduce alcohol consumption and harms.^{iv}

This is because there is a direct relationship between the pricing of alcohol and harms: **when price of alcohol goes up, consumption (and therefore harms) come down** (and vice versa – see image^v).



Consumption of alcohol in the UK relative to its price, 1960-2002.

MUP was introduced in May 2018 with the aim: *“to reduce alcohol-related harm by acting in two ways: to reduce, in a targeted way, the consumption of alcohol by consumers whose consumption is hazardous or harmful, and also to reduce the overall population level of consumption of alcohol.”*^{vi}

Results: efficacy of MUP

MUP in Scotland has achieved its aim of reducing harms – this has been clearly presented throughout the Public Health Scotland monitoring and evaluation of the policy^{vii}, which found:

MUP reduces alcohol consumption

MUP has delivered on its intended aim of reducing overall population consumption in Scotland, with a 3% decrease in alcohol sales within the first 3 years of implementation.^{vii} MUP has successfully targeted a reduction in consumption of cheap, strong alcohol products, which are associated with the most harms.

FAQ: If alcohol consumption has been reduced, has this damaged the alcohol industry?

Despite the fact that MUP does reduce the total volume of alcohol sold, this is offset by an increase in the average price of sale, resulting in little or no negative financial impact on the alcohol industry.^{vii} Additionally, reductions in the cost associated with alcohol harms (e.g. health care, policing, economic productivity) and related gains in economic productivity benefit all sectors of the Scottish economy.

MUP reduces deaths

Within 32 months of implementation, MUP reduced deaths wholly caused by alcohol by 13.4%^{vii} - equating to 156 fewer deaths every year purely because of the policy.

FAQ: how can MUP be working if deaths are higher than before?

MUP has worked because deaths **would have been higher still without it** (+13.4%). In the first year of MUP being implemented, there was a 10% reduction in alcohol-specific deaths in Scotland. However, the pandemic dramatically affected drinking behaviours and worsened harms. MUP seems to have mitigated some of the pandemic's negative effects, as the increase in deaths since the pandemic in Scotland has not been as sharp as in England (22% increase in Scotland from 2019 to 2021, compared to 30% in England).¹

MUP reduces hospitalisations

Within 32 months of implementation, MUP reduced hospital admissions wholly caused by alcohol by an estimated 4.1%^{vii} - equivalent to 411 fewer hospital admissions per year. This relieves pressure on our overstretched health services.

In addition, MUP has reduced deaths and hospital admissions due to alcohol from conditions where alcohol is not the sole cause (such as cancers and heart disease), averting an additional estimated 112 deaths and 488 hospital admissions per year.^{viii}

In total, MUP is estimated to save 268 lives and 899 hospital admissions every year.

MUP has reduced consumption of people drinking at higher levels

MUP has succeeded in reducing the consumption of cheap, high strength alcohol products^{ix,x} which were disproportionately consumed by people drinking above the low risk guidelines (hazardous and harmful drinkers) prior to the implementation of MUP.^{xi}

Households that purchased the most alcohol prior to MUP also reduced their purchasing the most after implementation.^{vii,xii} The proportion of people drinking at hazardous levels decreased by 3.5%.^{xii} The evidence around harmful drinking is more mixed, but some harmful drinkers have reported cutting down their consumption due to MUP.^{xiii} The evidence on harm - and specifically the reduction in the number of people dying from alcoholic liver disease - clearly demonstrates that harmful drinkers have reduced their consumption.

FAQ: has MUP affected dependent drinkers?

It is important to understand that **hazardous and harmful drinkers** are entirely separate groups to **dependent** drinkers.

Hazardous drinking = A pattern of alcohol consumption that increases an individual's risk of harm. Consumption at a level of more than 14 units a week, but fewer than 35 units a week for women. For men, alcohol consumption at a level of more than 14 units a week, but fewer than 50 units a week.

Harmful drinking = A pattern of alcohol consumption that is causing mental and/or physical harm to health. Generally indicated by alcohol consumption at a level of 35 or more units per week for women, and 50 or more units per week for men.

A minority of harmful drinkers develop physical and/or psychological dependence on alcohol. MUP was never expected to help these dependent drinkers who are a diverse group with complex needs. It is vital that additional support is considered for this group who make up about 1% of the Scottish population. Given the complex and long-standing issues which they face, they are likely to require intensive and individualised treatment and recovery support (which is why it is essential that MUP is part of a package of measures). However by reducing consumption in hazardous and harmful drinkers who make up more than 20% of the population, MUP is helping to prevent people developing dependence in the future.

Alongside MUP, which is designed to prevent future generations from becoming dependent on alcohol, there is a need for urgent investment to improve capacity, quality and access to alcohol treatment. Funding for such investment could come from a levy on alcohol retailers to take advantage of the increased revenue generated by MUP, in a "polluter pays" type model.

MUP reduces inequalities

There are major inequalities in the way in which alcohol harms are experienced in Scotland – with those living in the most deprived areas over four times more likely to dieⁱ and six times more likely to be hospitalisedⁱⁱ because of alcohol, when compared to those living in the least deprived areas.

MUP helps to reduce inequalities by saving more lives in Scotland's most disadvantaged communities. The lives saved by MUP so far have been statistically significantly among the 40% of people living in the most deprived areas, meaning that the policy is reducing alcohol-related health inequalities.^{vii}

No evidence that MUP has resulted in unintended consequences

There isn't evidence of any significant increases in crime rates (such as theft or violence) or cross-border purchasing since the implementation of MUP.^{vii}

Additionally, there is no evidence of a substitution from alcohol to drug use.^{vii}

Quantitative studies found no impact on household spend on food or nutritional value of food.^{vii} There is some qualitative evidence of impact of MUP at an individual level, particularly for individuals with alcohol dependence who are financially vulnerable.^{vii} However, as described above, MUP was not designed to target this group – who require treatment and support for their recovery.

MUP has also not penalised moderate drinkers. MUP targets low-cost, high-strength products specifically - which are the products most commonly consumed by heavy drinkers - and has little or no impact on the amount spent on alcohol by most moderate drinkers.^{xiii}

Renewing and optimising MUP

MUP is delivering on its intended aim of reducing alcohol-related harms in Scotland, and it is essential that this policy remains in place as part of a package of measures to tackle Scotland's ongoing alcohol crisis. Now more than ever, as alcohol harms continue to increase, it is vital to renew and optimise the policy.

The recent modelling^{xiv} from the Sheffield Alcohol Research Group (SARG) included highly concerning projections of the increase in harms to be realised in light of the COVID-19 pandemic and resulting changes in alcohol-related behaviours. Keeping the MUP at 50p until 2040 is estimated to lead to an additional 1,076 deaths, 14,532 hospital admissions, 37,728 years of life lost and £17.4 million additional NHS hospital costs over this period (when compared to if the MUP threshold was indexed to inflation throughout).^{xiv} It is essential that we optimise MUP so that it prevents this loss of life and the wider harms caused by alcohol.

SHAAP is calling for MUP to be updated to at least 65p, in order to optimise the policy's ability to reduce harms and save lives. High levels of inflation since the policy has been introduced (which have not been realised in alcohol prices) have significantly eroded the value of MUP, and an uprating is essential to optimise the policy.

The Public Health Scotland evidence, alongside SARG modelling, demonstrates that MUP at 50p has clearly worked to reduce harms, but we know that high inflation means that 50p per unit is considerably less effective than when it was first introduced in Scotland in 2018, and even less effective than when it was first supposed to be implemented.

Based on the retail price index (RPI), 50p in May 2012 was equivalent to 58p when the policy was implemented in 2018, and equivalent to 77p in July 2023.^{xv}

The Sheffield analysis also shows that alcohol consumption is 2.2% higher than it would have been if the MUP level had risen in line with inflation since it was introduced in 2018.^{xiv}

The researchers concluded that the level of MUP would need to rise from 50p to 61p just to maintain the same effectiveness of reducing harm as at 2018.^{xiv}

Additional asks

It is clear from the above that to continue MUP but not uprate the level would be incoherent, as its impact would reduce until it became meaningless. Therefore, alongside our recommendation for MUP to remain and to be uprated to at least 65p, SHAAP recommends the introduction of an **automatic uprating mechanism**. This would mean that MUP maintains its effect and its relative level of affordability going forward.

Consideration should also be given to the implementation of a **levy** which would recoup the earnings made by the alcohol industry from MUP – this profit should instead be applied to tackling alcohol harms through services and treatment. Alcohol harms cost Scotland an estimated £5-£10 billion every year.^{xvi} The polluter pays principle should be applied to the sale of alcohol, meaning retailers should pay a levy – accompanied by a corresponding uplift in funding for alcohol treatment services.

We know that industry earns significant profits from the sale of alcohol. These profits will have increased since the introduction of MUP, as although total off-trade sales have reduced by 3.5%, profit margins on many products have increased. The levy should be raised through a supplement on non-domestic rates for retailers and should apply to premises licensed to sell alcohol for consumption off the premises, regardless of size.

Conclusion

Scotland is facing a public health crisis with alcohol, which is devastating individuals, families and communities. Alcohol deaths are rising year on year and the COVID-19 pandemic (and resulting changes to alcohol-related behaviours) has exacerbated this and widened health inequalities. *However*, MUP has been proven to have mitigated against this rise in deaths, particularly for those in the most deprived communities, which would have been even higher without the policy in place. It is essential that we do not abandon this effective and progressive policy in a time of great need for action on alcohol harms and great strain on our NHS. We must maintain the policy and uprate it to at least 65p in order to optimise the policy's benefits and maximise the number of lives saved. Every death from alcohol is avoidable and we cannot continue to fail Scottish society by accepting these levels of avoidable harm as our reality.

ⁱ National Records of Scotland (2023). [Alcohol-specific deaths 2022](#).

ⁱⁱ Public Health Scotland (2023). [Alcohol-related hospital statistics](#).

ⁱⁱⁱ Giles, L. & Robinson, M. (2017). [Monitoring and Evaluating Scotland's Alcohol Strategy: Monitoring Report](#) 2017. NHS Health Scotland.

^{iv} World Health Organization (2018). <https://www.who.int/initiatives/SAFER/pricing-policies>

^v Verill & Sheron (2005). [Alcohol-related harm--a growing crisis: time for action](#)

^{vi} Scottish Government (2018). [Final Business and Regulatory Impact Assessment. Alcohol \(Minimum Pricing\) \(Scotland\) Act 2012. The Alcohol \(Minimum Price per Unit\) \(Scotland\) Order 2018](#).

^{vii} Public Health Scotland (2023). [Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final report. A synthesis of the evidence](#).

^{viii} Wyper, G.M.A. et al. (2023). [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(23\)00497-X/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(23)00497-X/fulltext) Public Health Scotland.

^{ix} Giles, L. et al. (2022). [Evaluating the impact of Minimum Unit Pricing \(MUP\) on sales-based alcohol consumption in Scotland at three years post-implementation](#). Public Health Scotland.

^x Ferguson, K. et al. (2022). [Evaluating the impact of MUP on alcohol products and prices](#). Public Health Scotland.

^{xi} Booth, A. et al. (2008). Independent Review of the Effects of Alcohol Pricing and Promotion Part A: Systematic Reviews. University of Sheffield

^{xii} Holmes, J. et al. (2022). [Evaluating the impact of Minimum Unit Pricing in Scotland on people who are drinking at harmful levels](#). The University of Newcastle Australia, The University of Sheffield, and Figure 8 Consultancy Services

^{xiii} World Health Organization. (2022). [No place for cheap alcohol: the potential value of minimum pricing for protecting lives](#)

^{xiv} Angus, C. Morris, D. Leeming, G. et al. (2023). [New modelling of alcohol pricing policies, alcohol consumption and harm in Scotland](#). University of Sheffield.

^{xv} Calculated 04/09/2023 using the approach set out in Bectu Freelance Research (29 March 2022). How to calculate inflation between two dates. Bectu Freelance Research <https://www.bectufreelance.org.uk/2022/03/29/how-to-calculate-inflation-between-two-dates/> and Office for National Statistics (16 August 2023). Consumer price inflation tables.

^{xvi} Bhattacharya, A. (2023). [Getting in the spirit? Alcohol and the Scottish Economy](#).

For Health, Social Care and Sport Committee, 6 February 2024 - Alcohol (Minimum) Pricing (Scotland) Act
Background information - Evidence previously submitted to the Scottish Government Consultation, November 2023
Justina Murray, CEO, Scottish Families Affected by Alcohol and Drugs



CONSULTATION RESPONSE:

Minimum Unit Pricing (MUP): Continuation and Future Pricing

Scottish Families Affected by Alcohol and Drugs
22/11/2023

Introduction

Scottish Families Affected by Alcohol and Drugs (Scottish Families) is a national charity that supports anyone impacted or concerned about someone else's alcohol or drug use in Scotland (www.sfad.org.uk). Throughout this response, we may refer to people affected by someone else's alcohol or drug use simply as "family members". In responding to the consultation at hand, we aim to centre the voices and experiences of family members who are impacted by the physical, mental, and social harms of alcohol in Scotland.

Scottish Families' Ask the Family survey found that, on average, for every person that uses substances, 11 other people are affected by that person's substance use¹. One family member we spoke to about alcohol harm reflected:

"It's had an impact on all of them. [My grandson] is the first one to come to the group... he's decided that he's going to make a point in coming to the group, because he has healing to do. He's got his own recovery to go through. And he's figuring out how that affected his life. This is where it's had that knock-on effect, on families -- and friends as well."

The family members we have spoken to in preparing for this consultation response want the experiences of families affected by alcohol use to be a catalyst for change when it comes to informing prevention and treatment strategies and tackling alcohol harm:

"We need stories from as many family members as possible."

The voices of people within families and communities affected by alcohol harm must be prioritised over the financial interests of the alcohol industry. This goes for Minimum Unit Pricing (MUP) for alcohol, as well as alcohol marketing and availability.

"It's accessibility, you turn the tele on and somebody's having a big cool pint, so do we need to do something about that? But the people making their money out of that, are they going to do anything?"

Consultation Questions:

1. Do you think Minimum Unit Pricing (MUP) should continue?

Yes.

2. If MUP continues, do you agree with the proposed Minimum Unit Price of 65 pence?

¹ Scottish Families Affected by Alcohol and Drugs (2021). *Ask the Family: Family Perspectives on Whole Family Support and Family Inclusive Practice*. <https://www.sfad.org.uk/content/uploads/2021/04/Ask-The-Family-Report-March-2021.pdf>

Yes.

3. We invite comments on:

- a. the Scottish Ministers' proposal to continue MUP**
- b. the proposed Minimum Unit Price of 65 pence.**

To reduce alcohol-related health harms at a whole population level and for people drinking at hazardous or harmful levels, MUP should continue and should be updated to 65p as well.

From a whole population perspective, MUP is one of many policy measures vital to reducing alcohol harm. The aim of MUP is to reduce alcohol-related health harms amongst hazardous and harmful drinkers, as well as at a whole population level². *Hazardous* drinking involves alcohol consumption at a level that increases the risk for harm – often defined as drinking more than 14 units of alcohol per week. *Harmful* drinking consists of drinking at level that causes physical or psychological harm, defined in units as consuming more than 35 units per week for women, and 50 units per week for men³.

Looking at the big picture of MUP's impact, statistic evidence indicates that MUP reduced death rates "wholly attributable to alcohol" by 13.4% -- which means that 156 lives per year were saved directly due to MUP⁴. In addition, MUP prevented 411 hospital admissions also wholly attributable to alcohol use, amounting to a 4.1% decrease in hospital admissions due to MUP. These decreases in deaths and hospitalisations were largest amongst men, people above the age of 65, and people living in the 40% most deprived areas in the country – showing that MUP has helped to mitigate alcohol-related health inequalities. Additionally, the statistics mentioned previously do not include the prevention of deaths and hospitals to which alcohol may have contributed, but may have not been the primary cause – meaning that MUP has positively impacted even more people in Scotland. Given the reductions in deaths and hospitalisations overall, MUP has been effective in reducing the health harms of people drinking at hazardous and harmful levels.

Changes in deaths and hospitalisations due to MUP have also been accompanied by changes in alcohol purchases. Over the past three decades, off-trade alcohol (sold in supermarkets and off-licenses) in the UK has become much more affordable – 64% more affordable compared to 1987⁵. Low alcohol prices mostly benefit hazardous and harmful drinkers, as they tend to purchase the most alcohol in off-trade settings⁶. Addressing the affordability of

² Scottish Government (2023). *Alcohol: Minimum Unit Pricing (MUP): Continuation and Future Pricing: Consultation*. <https://www.gov.scot/publications/alcohol-minimum-unit-pricing-mup-continuation-future-pricing-consultation/documents/>

³ National Institute for Health and Care Excellence (2010). *Alcohol use disorders: prevention*. <https://www.nice.org.uk/guidance/ph24/resources/alcoholuse-disorders-prevention-pdf-1996237007557>

⁴ Public Health Scotland (2023). *Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final report*. <https://publichealthscotland.scot/media/20366/evaluating-the-impact-of-minimum-unit-pricing-for-alcohol-in-scotland-final-report.pdf>

⁵ Scottish Government (2018; amended in 2020). *The Scottish Health Survey*. <https://www.gov.scot/publications/scottish-health-survey-2018-volume-1-main-report/documents/>

⁶ National Institute for Health and Care Excellence (2010). *Alcohol use disorders: prevention*. <https://www.nice.org.uk/guidance/ph24/resources/alcoholuse-disorders-prevention-pdf-1996237007557>

alcohol – especially cheap alcohol -- contributes to reducing consumption by people who drink at hazardous and harmful levels.⁷

All studies looking at the impact of MUP on alcohol purchases in Scotland found an overall reduction in alcohol purchases, with the largest reductions in alcohol purchases being seen in the households that purchased the most alcohol⁸. To illustrate, the top 5% of alcohol-purchasing households reduced their purchasing by 14.8%⁹. Furthermore, most reductions were made for stronger products that had the highest increases in price due to MUP, such as cider and spirits. Therefore, consumption amongst people drinking at hazardous and harmful levels also changed as a result of MUP.

However, the terms hazardous drinking and harmful drinking refer to specific patterns of alcohol consumption and should not be conflated with alcohol dependency, which is a particular form of harmful drinking. People with alcohol dependence have clinical needs that require intensive, individualised intervention and specialised alcohol treatment. Many families we support are impacted by someone else's dependence on alcohol and have highlighted severe gaps in alcohol treatment services and other prevention measures. For these families, MUP is not a universal remedy, as they've reported it's had little to no effect on their loved one using alcohol, or themselves. Taking a holistic look at alcohol policy in Scotland, MUP is only one of many policy measures that must be implemented to change the picture of alcohol harm in Scotland. The public emergency response to alcohol harm in Scotland must not stop at continuing MUP, especially considering that there has been a 40% reduction in the number of people accessing alcohol treatment in the past ten years despite consistently high levels of alcohol harm¹⁰. There needs to be greater investment in specialised alcohol treatment and care to make it more available and accessible to those who need it, when they need it. There also needs to be concerted efforts by public bodies to address the ubiquitous availability and marketing of alcohol in our everyday lives, as well as stigma related to alcohol harm and seeking support for alcohol use.

To adjust to inflation and continue a minimum unit pricing policy that is actually effective, MUP should be uprated from 50p per unit to 65p per unit. Furthermore, an automatic uprating mechanism would be appropriate for ensuring MUP adjusts in line with inflation.

However, some family members have raised concerns over where the profits from increased prices would go, since retailers have likely seen increases in revenue due to MUP. During a discussion around MUP, one family member said:

“Try and get them to plow some of that [money] into treatment. That's the only reason I would say to increase it – if the increase was getting fed back into the treatment sector. As

⁷ Stockwell, T. and Thomas, G (2013). *Is alcohol too cheap in the UK? The case for setting a Minimum Unit Price for alcohol*. <https://www.ias.org.uk/uploads/pdf/News%20stories/iasreport-thomas-stockwell-april2013.pdf>

⁸ Public Health Scotland (2023). *Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final report*. <https://publichealthscotland.scot/media/20366/evaluating-the-impact-of-minimum-unit-pricing-for-alcohol-in-scotland-final-report.pdf>

⁹ Griffith, R., O'Connell, M., & Smith, K. (2022). Price floors and externality correction. *The Economic Journal*, pg. 2273-2289. <https://academic.oup.com/ej/article/132/646/2273/6517679>

¹⁰ Alcohol Focus Scotland (2023). Newly published figures reveal 40% drop in alcohol treatment in Scotland over 10 years. <https://www.alcohol-focus-scotland.org.uk/news/decline-in-alcohol-treatment-in-scotland/>

opposed to profiting the producers and retailers and the government and it's no helping people who need help."

We support introducing an Alcohol Harm Prevention Levy – as put forward by NCD Alliance Scotland – to make sure that retailers' profits from MUP go towards tackling alcohol harm through prevention and treatment services¹¹.

MUP is a part of a multi-faceted strategy to tackle various forms alcohol harm in Scotland. If it is continued, MUP will continue to save lives and prevent hospitalisations. Its effectiveness in positively impacting hundreds of lives should not be discounted just because it has been less effective in reducing consumption within certain groups of people that many have specific needs when it comes to alcohol treatment and harm prevention.

However, families have commented on a variety of issues that must also be addressed in order to create more positive change for people affected by alcohol harm. These include changes in funding and staffing for services – to improve the availability of alcohol treatment and address long waiting times. Helping people to access treatment is vital, especially if that person needs additional support in accessing treatment. As one family member said:

"As I said before, I'm into advocacy as well. []'s son and my son are lucky. They've got people like me that'll talk to people and try and get them help. We know we're not going to cure the person, but we'll get every bit of help that we can possibly get for them. But it's the people that don't have that. They give up."

In our discussions with families around MUP and alcohol treatment and care, families identified that promoting access to services includes meeting people "where they're at" and "valuing people for who they are". They also highlighted the importance of training for staff and education within communities, to address stigma towards people that may have a problem with alcohol and to promote better understanding around their needs. In addition to alcohol treatment and care and addressing stigma, other issues important to families include better pathways for dual diagnosis, peer pressure to drink alcohol, restricting alcohol marketing, addressing the ubiquity of alcohol in everyday spaces, 24-hour helplines, and more active promotion of community support – to name a few. All of these actions – in addition to MUP -- should exist within a framework of various prevention and treatment measures in order to address the diverse needs for different groups of people using alcohol.

¹¹ NCD Alliance (2022). Introduce an Alcohol Harm Prevention Levy. *NCD Briefings*. <https://www.bhf.org.uk/-/media/files/what-we-do/in-your-area-scotland-pages/ncd/ncd-briefings-2022.pdf?rev=170c318f49fa4b39ba7c599ae28890fe&hash=1E4D82583304A48981A36CDE39D5AECA>

Submission to the Health, Social Care and Sport Committee

Scottish Grocers Federation evidence on Alcohol (Minimum) Pricing (Scotland) Act

SGF has been made aware that there the Scottish Government intend to announce its decision on the adjusted value of MUP in late January, early February 2024.

The implementation period for any changes is of critical importance for retailers will vary in relation to the amendments that have been proposed. We are of the opinion that there is strong evidence that there should be a reasonable delay before any new prices come into force. Approximately twelve months.

1. Background on the importance of the Scottish Convenience Sector.

The Scottish Grocers' Federation (SGF) is the trade association for the Scottish Convenience Store Sector. There are 5,171 convenience stores in Scotland, which includes all the major symbol groups, co-op and convenience multiples in Scotland. SGF promotes responsible community retailing and works with key stakeholders to encourage a greater understanding of the contribution convenience retailers make to Scotland's communities. In total, convenience stores provide over 49,000 jobs in Scotland.

Modern local convenience stores are community assets, from offering busy families a top-up shop facility on the one hand, to helping patrons (particularly vulnerable people) manage their weekly household budgets during the cost-of-living crisis. While also providing an essential alternative to larger or out of town supermarkets.

According to our Scottish Local Shop Report 2023 (SLSR 2023), the valued services provided by local shops include post office services (27%), bill payment services (76%) and free-to-use cash machines (47%). Further details can be found at: www.sgfscot.co.uk/publications/sgf-scottish-local-shop-report-2023

Many people rely on their local convenience store with the average shopper visiting their local store 2.7 times per week. During the Covid pandemic, in particular, local shops were on the front line, providing essential services for many vulnerable people and communities. The personal interaction with your local retailer is now almost uniquely reserved for your local convenience store.

However, many convenience retail businesses are operating in an extremely challenging trading environment and the Scottish Government has recognised the potential impacts of overregulation on business. In addition to meeting the requirements of new regulations, such as Minimum Unit Pricing; potential restrictions to the promotion of alcohol products, foods high in fat, sugar & salt and vaping products; and a reduction in Non-Domestic Rates relief, the sector as a whole is among the hardest hit by issues such as increasing food inflation, higher than normal interest rates, the cost-of-living crisis and rising energy costs.

The cumulative cost burden of legislation, on top of the pressure of these other factors, is significantly adding to vulnerability of many businesses. That means fewer jobs in the community, a decreased tax take, and fewer choices for customers.

Convenience stores provide a range of key services for their customers, and this includes that ability to be able to offer their customers a full range of products, i.e. giving the customer the chance purchase an alcoholic beverage as an accompaniment with home dining. Providing a "full basket" for customers is an essential service for customers and retailers alike.

2. The outlook and current impact of Minimum Unit Pricing.

Being able to offer customers a diverse range of goods at a reasonable price is incredibly important to local convenience stores and the sector as a whole. Modern convenience stores now offer a wide range of both products and services, from deli counters and coffee to collection lockers to free access to cash, bill payment services, and post-office facilities.

While SGF agrees with and supports the proposed aims of the Scottish Government, to reduce harm caused by the excessive consumption of alcohol, it is not yet clear that Minimum Unit Price (MUP) has had any beneficial impact on those it is intended to target.

The Scottish alcohol sector remains a globally celebrated and a vital part of the Scottish Economy. It is also an important sales category for the viability of many Scottish businesses, including our member's stores, and enjoyed in moderation by millions of customers. Many of whom will have to pay more if there is an increase to the MUP.

For these reasons, and those set out below, SGF is of the view that education and public awareness will have a far greater beneficial impact on drinking habits in Scotland than further regulation, price rises and restrictions.

A typical convenience store offers a range of at least 17 kinds of different product categories. Whilst it is ancillary to wider ranges of grocery and retail, alcohol accounts for 15.9 % of total sales turnover. According to our Scottish Local Shop Report 2023 (SLSR 2023). In addition, approximately 74% of convenience stores have an alcohol licence.

However, many convenience retail businesses are facing an extremely challenging trading environment. High energy costs, increased inflation, food inflation and interest rates, and the cost-of-living crisis is not only impacting on the budgets of many struggling households but the small businesses, retailers and staff that make up the convenience sector.

In addition, the Scottish Government has recognised the burden that regulation may be having on the viability of businesses in Scotland. Regulations, such as those discussed section 1 above.

The collective impact of these challenges has resulted in most convenience retailers unable to absorb further costs. Operators are now forced to increase prices across their stock, to

cope with the associated losses and extra costs of doing business. This has a direct impact on inflation and interest rates, adding additional pressure to household budgets, the local community, and vulnerable people.

3. The impact of increasing the value of MUP in 2024.

Increasing the Minimum Unit Price above 50p will inevitably have a similar effect to the issues outlined above. Contributing to higher inflation, higher interest rates and therefore higher housing costs. As a result and combined with the higher taxation rates in Scotland (the highest in the UK), consumers will have less money in their pockets. Likewise, a higher/increasing rate of duty on alcohol products at a UK level, alongside inflation, means that Scottish consumers are being hit with a double increase to prices, including MUP. While consumer prices may have increased significantly since the conception of MUP, to a large degree average wages and household incomes have not. Therefore, an increase to both MUP and/or duty cannot be justified on grounds of inflation.

Due to the nature of the distribution of wealth across some areas/communities in Scotland, and the prevalence of cheaper items sold in some deprived areas, an increase to MUP will likely have a more significant impact on households with a lower income. An increase from 50p to 65p, will result in as much as a 30% price hike to some product ranges. For example, a recent survey of SGF members highlights that only a third of respondents believe there has been a meaningful reduction the sale of low-price alcohol in store. While only 30% believe there has been any reduction whatsoever in the volume of alcohol sold.

As highlighted by the recent analysis published, to date, assessing the impact MUP over the past five years, the data and findings provided have been substantially inconclusive. Recent changes to drinking habits in Scotland are a reflection of multiple factors far outweighing any impact MUP has had. The Covid-19 pandemic and subsequent fluctuations in behaviour, in particular an increased cost in hospitality and on-licenced consumption, mitigates and significantly skews any data collected since March 2020. Therefore, SGF is of the view that it is essential that the MUP remain at 50p until there has been an opportunity to properly assess the impact of the policy. While a majority of our members agree that MUP should continue, only a quarter believe there are grounds for any level of increase.

While, conversely, 57% of respondents to our survey agreed or strongly agreed that the introduction of MUP has already put the Scottish alcohol industry at a competitive disadvantage to other parts of the UK and Europe. This is marked by the substantial increase to the cost of some products in the initial rollout in 2019.

SGF is also concerned that price increases could fuel both retail crime and illicit trade, which is major concern for our members and the retail sector as a whole. Over the past year, the level and impact of retail crime has increased significantly. This includes increased volumes of shop theft as well a more frequent instances of abuse, threats and violence towards retailers and shop workers. This growing concern is harming, not only the people who work in retail, but the wellbeing of families and the wider community.

Three prominent factors, which have driven the increase in retail crime in the past year, are the cost-of-living crisis (product price and available income), the growth in organised groups committing larger scale theft, and flash points relating to restricted and age-restricted items. As household budgets have become limited, more consumers are willing to engage in shop theft or purchasing illicit/stolen goods. Therefore, a significant increase to the price of some products, as a result of increasing MUP, will inevitably lead to higher levels of crime and illicit trade. Along with additional instances of abuse and violence in stores. Further harming the retail sector, the Scottish Economy/government tax take, and affected communities.

Likewise, as is already the case for some items stocked in stores near the Scottish/English border, an increase in product cost will encourage some customers to travel to stores in England to purchase cheaper goods, in bulk. Damaging both local economies along the Scottish border and the Scottish Economy as a whole.

4. Other practical consequences of increasing MUP.

If the Scottish Government does decide to increase the MUP, it is essential that there is sufficient time for businesses to adjust to the new price. As an industry standard, this should be a minimum of 12 months. In order to adjust prices throughout the supply chain and held stock, replace shelf edge and in-store labelling, and re-programme tills and payment systems with the new formulas. For example, retailers may wish to change the stock they carry, based on the new prices of items. This creates multiple issues with selling old stock and, as by obliged by GSCOP, retailers must give reasonable notice to suppliers to allow changes to take effect.

Likewise, it is also essential that the Scottish Government carry out a significant public awareness campaign, in order to notify consumers of the changes before they happen and mitigate flash points with angry customers. Which could impact on the safety and wellbeing of retailers and staff.

It may also be required for the Scottish Government to amend the current law so that, if the MUP formula results in a figure with a decimal point under half a penny, it can be rounded down (as is the case in Wales).

Requiring retailers to round up every fraction of a penny creates administrative complications in Scotland due to the linear pricing rules. For example, a multipack of four items, would round up to the nearest whole penny. However, in some cases the retailer may also have four single items, all of which have to be rounded up to the nearest whole penny. This means that the retailer must increase the price of the four-item multipack again to abide by linear pricing.

SGF hopes committee members have found this information useful and will take these views into consideration.

Submitted to Alcohol: Minimum Unit Pricing (MUP): Continuation and Future Pricing: Consultation
Submitted on 2023-11-17 12:25:03

Ministerial Foreword

Questions

1 Do you think Minimum Unit Pricing (MUP) should continue?

No

2 If MUP continues, do you agree with the proposed Minimum Unit Price of 65 pence?

No

3 We invite comments on the Scottish Ministers' proposal to continue MUP, and the proposed Minimum Unit Price of 65 pence.

Comment below:

MINIMUM UNIT PRICING (MUP)

Summary

- The Wine & Spirit Trade Association's (WSTA) position is that MUP is ineffective and unfair. The experience in Scotland since 2018 confirms this. We argue that the five-year sunset clause should see MUP disappear.
- Whilst any alcohol-related death is tragic, the WSTA does not believe that Minimum Unit Pricing is an effective or proportionate measure to tackle alcohol related harm, and that targeted measures have significantly greater impact without penalising the vast majority who do drink responsibly within the Chief Medical Officer guidelines. Any role for MUP is as part of a suite of measures.

Evidence

- Because MUP had not been tried anywhere in the world (Canada's policy is similar, but the market is dominated by state-run suppliers and the price calculated differently), no evidence was available – and the Scottish Government relied on modelling. The Sheffield model has not proven to be an accurate predictor of real-world behaviours. Even Sheffield itself has concluded that the model has failed to reflect real life.
- Unlike targeted measures, which are demonstrably more effective, there is little evidence that MUP has beneficial health impacts. Despite attempts to describe MUP as being "exquisitely targeted", it is a population-wide measure and so impacts all consumers in Scotland. The same Sheffield report concludes:

There was no significant change in the proportion of drinkers consuming at harmful levels or moderate levels after the introduction of MUP.

- Trends around consumer behaviour have not changed significantly since MUP's introduction. While there are claims that the proportion of 'hazardous drinkers' has declined, this is not a group MUP aimed to affect.
- Economist Christopher Snowden discusses a number of MUP evaluations here, summarising that:

minimum pricing was associated with a small decline in overall alcohol consumption, amounting to less than one unit per drinker per week, but that this was not driven by heavy drinkers cutting down. On the contrary, the heaviest drinking men drank more under minimum pricing.

- He also tackles the claims by Public Health Scotland that MUP has reduced deaths directly caused by alcohol consumption by 13.4 per cent and hospital admissions by 4.1 per cent:

In short, the claim that minimum pricing "worked" rests almost exclusively on a single study which is an outlier in many respects, which cannot come close to proving causation, and whose findings are highly dependent on the assumptions of its authors.

- The majority drink responsibly and trends are going in the right direction in some areas. There is evidence to show that there are positive changes to people's attitudes to alcohol and how people moderate their drinking. A study commissioned by the Portman Group noted that around a third of adults who drink in Scotland semi-regularly drink alcohol alternatives and that over a fifth drink less alcohol as a result of trying low and no alcohol alternatives.
- Economic impacts: there was significant impact in year 1, with evidence of a shift from cheaper spirits, a decline in volumes compared to England & Wales, a shift to smaller formats (in spirits, to 70cl from 1l), severe impacts on cider volumes and some reports of customers shopping in England.
- There is no evidence of any continuing adverse economic impact on the sector as a whole. MUP has largely become business as usual in Scotland. Some products have been reformulated and repackaged.

• There is no general evidence of extra profit accruing to retailers, wholesalers, importers or producers, although turnover, pricing and cost data is hard to analyse and there may be some examples of extra profit being generated.

Arguments against continuing MUP (and increasing its price)

• Raising MUP to would have a significant impact - as it did in year 1 (2018). The higher MUP goes (from 50p to 65p), the worse this economic impact will be. During a cost of living crisis, consumers – but also businesses - are already struggling with escalating costs. Given the lack of any beneficial health impacts from MUP – especially on the original target group, the heaviest drinkers - such costs seem wholly disproportionate.

• While it might be politically attractive for the Scottish Government to claim that “it would work if only the MUP were higher”, it’s false logic. That argument starts from the premise that MUP is an effective measure. If MUP were to have a positive impact, then that would have been apparent by now. The evidence for raising MUP is less convincing than the flawed modelling used to justify its introduction in the first place.

• Some future alcohol-related deaths and hospital admissions have already been determined by current behaviour. Raising the MUP now or in the near future will not prevent those outcomes. Targeted responses remain the best proven response to harmful and hazardous drinking.

Other issues

• Feedback from some retailers suggests that the Scottish Government-branded posters were successful in reducing abuse addressed at store staff. If MUP is to be continued and increased, then we would like to see that campaign replicated.

• We would want to separate the two elements of continuation and increase. If MUP continues it has to be from 01 May. Traders do not want ppu being increased at the same time. They have already started planning pricing for next summer, and there will be some products that will sell at 50ppu but not at 65ppu. Traders therefore need time to review their Scottish ranges to identify these lines so that they can give notice to cease or reduce orders (under GSCOP the major retailers have to give ‘reasonable notice’ to suppliers). Traders also need the opportunity to clear existing stock from store and depot – and it will be harder this time round because they cannot reduce price to below 50ppu to incentivise sales. If the Scottish Government do not give traders a reasonable period of time – say 9 months from any different ppu being passed by Scottish Parliament – it will leave retailers (and manufacturers/distributors) having spent money on stock that will no longer sell.

• We would also ask Scottish Government to look at the interaction of MUP and linear pricing rules. The current MUP law says that any fraction above a whole penny must be rounded up to the next whole penny. Linear pricing rules from the Alcohol etc Act also say that a multipack cannot be sold for any less than the multiple of the single unit (where sold). So if there is a product that a trader sold in both single cans and a 4pk, MUP for the single can might be 100.2p and MUP for the 4pk 400.8p. The rounding up means that the trader would have to charge 101p for the single can, but linear pricing means that they would have to sell the 4pk for $4 \times 101p = 404p$, rather than the 401p the MUP calculation alone demands. Traders will want to work out whether an odd number like 65p is more likely to create these anomalies than an even one like 50p. Alternatively the rounding up rule could be revised or removed, so that any figure less than half a penny may be rounded down instead.

• Whatever the outcome of this consultation, if MUP continues then there will be future demands to increase the ppu. In order to give certainty to industry, we would ask the Scottish Government to commit to consulting on any future increases. The Scottish Government might also consider establishing a timetable for regular reviews.

About you

What is your name?

Name:

David Richardson

Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

WSTA

If you are responding on behalf of an organisation, please tell us the type of organisation for which you are providing a response.

Alcohol Industry Representative body

If other, please share the type of organisation in the box provided:

Further information about your organisation's response

Please add any additional context:

Please see the response to q3. This was drafted following consultation with members.

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Publish response with name

Do you consent to Scottish Government contacting you again in relation to this consultation exercise?

Yes

What is your email address?

Email:

david@wsta.co.uk

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent

Evaluation

Please help us improve our consultations by answering the questions below. (Responses to the evaluation will not be published.)

Matrix 1 - How satisfied were you with this consultation?:

Slightly satisfied

Please enter comments here.:

Matrix 1 - How would you rate your satisfaction with using this platform (Citizen Space) to respond to this consultation?:

Slightly satisfied

Please enter comments here.: