Alcohol (Minimum Pricing) (Scotland) Bill

NHS Grampian

We welcome the opportunity to present the view from NHS Grampian on this Bill. This response has been formulated in conjunction with the Alcohol and Drug Partnerships of Aberdeen City, Aberdeenshire and Moray.

It is well established that alcohol causes serious harm to health and well-being, both at an individual and population level. Current consumption patterns of alcohol are damaging the health of the Scottish population and pose a clear and significant threat to the future well-being of the nation. Alcohol is more affordable than ever as its relative cost has not kept up with increasing household disposable income. Other factors increasing access to this non-essential commodity in recent decades include assertive marketing, increased premises and opening hours and strong normative cultural influences.

In the NHS, alcohol-related health harms can manifest as GP consultations, A&E and out-patient attendances, and admissions to hospital. Scottish alcohol-related death rates are now double those elsewhere in the UK. Overall, alcohol-related consequences are estimated to cost Scotland over £7.4 billion annually through costs to the NHS, social services, the criminal justice system, lost productivity and wider social costs including intangible costs of pain and suffering borne by the individual and those close to them.

When considering the less fortunate in our Scottish society, the harms resulting from alcohol misuse disproportionately affect those most socio-economically deprived. However this may reflect drinking patterns from some time ago. Current overconsumption of alcohol to a hazardous and harmful extent, i.e. above sensible limits, adversely affects Scots regardless of their socio-economic status. Therefore any truly effective measures to reduce this harm must tackle this from a total population perspective.

The advantages and disadvantages of establishing a minimum alcohol sales price

There is a strong and robust evidence base supporting the fact that increasing the price of alcohol decreases alcohol consumption and alcohol-related harms. The economic modelling by the University of Sheffield’s School of Health and Related Research (ScHARR) is consistent with this. It is also less strongly, but still importantly, associated with decreased alcohol-related crimes and a reduced negative impact upon the economy. Young drinkers and heavy drinkers seem particularly likely to respond positively to an increased price of alcohol, whereas currently responsible drinkers are less likely to be affected.

Contrary to minimum pricing, variable taxation can produce unintended incentives to consume drinks containing higher levels of alcohol. In addition, tax increases can be offset by retailers by cross-subsidising against the price of other products. Where these other products are staples, such as milk and
bread, this can have an adverse effect on the disadvantaged. Minimum pricing per unit can prevent drinkers from reducing the quality of product that they buy in order to maintain their alcohol consumption in the face of increasing prices. The majority of alcohol in Scotland (about two-thirds in 2010) is sold through off-trade premises and this has been increasing. Harmful drinkers purchase most of their alcohol from the off-trade where the average unit price is significantly lower than in on-trade premises (45p per unit compared to 134p per unit respectively in 2010). Therefore a unit-based minimum price would have a greater impact upon off-trade than on-trade sales.

Population level problems require a population approach, which can be counter-intuitive to those who argue for an approach that targets individuals at high-risk of alcohol-related consequences. For example, harmful drinkers (those consuming alcohol at a level already likely to be causing harm) make up only 7% of all drinkers. A targeted approach to reduce alcohol consumption would reduce their risk, but would not necessarily reduce the overall harm experienced in society by those drinking less, but still potentially harmfully. This is because alcohol-related disease occurs with consumption levels far below that of the heaviest ‘problem’ drinkers, as there is no such thing as ‘risk-free’ intoxication. Compared to high-risk drinkers, an individual with lower alcohol consumption, has a lower individual probability of negative consequences, but these consequences do nonetheless occur. Essentially, a small risk across a large group of people gives rise to more events than a higher risk across a smaller group of people.

Any cultural change occurring as a result of alcohol minimum pricing would be beneficial for all at-risk groups of drinkers. It is understood that many of those drinking at hazardous levels (especially in more affluent groups) are more likely to not recognise the risks associated with their alcohol consumption. This also explains the results of the ScHARR modelling, where reductions transpire for alcohol-related hospital admissions of moderate (i.e. those drinking within sensible limits) as well as hazardous drinkers, alongside major reductions in admissions for harmful drinkers. A number of purported disadvantages of alcohol minimum pricing have been postulated, none of which are likely to supercede the benefits it will bring to Scotland as a whole. It is suggested that those who suffer from alcohol dependency will be less likely to respond to price changes. However, evidence suggests that those with such serious alcohol issues tend to purchase alcohol at the lowest price per unit, therefore establishing a minimum unit price will specifically target their consumption patterns. There are concerns that alcohol may be substituted for less expensive illicit drugs but no evidence can be found for this.

Another concern is that there is an increased potential for industry profits with a minimum price. This could be resolved through a social responsibility levy upon a percentage of alcohol sales, or a change in taxation could be introduced as a way of off-setting this.
Some consider that alcohol minimum pricing would disproportionately affect deprived and low income groups. However population surveys show that those in deprived areas and with low incomes are more likely not to drink at all than those who are better off. At the same time, those who do drink within socio-economically deprived groups may be more likely to drink at harmful levels\(^2\) and harmful drinkers are the group modelled to be most sensitive to minimum pricing Therefore, minimum pricing would assist in reducing the disproportionate burden of harm arising in the most deprived groups.

There are concerns that a minimum price per unit of alcohol would encourage cross-border purchases from other parts of the UK which do not have minimum pricing in place. Although this has been observed for example in the Republic of Ireland (with people travelling to Northern Ireland) this was for the purchase of all groceries and not solely alcohol.\(^1\) Whether the costs associated with travel to England by Scottish drinkers would be met by the savings in alcohol purchased appears less likely; especially as the majority of the Scottish population live some distance from the border with England.

Similarly, internet purchasing (which may be encouraged by retailers who operate in other parts of the UK as well as Scotland) is a risk. It is crucial to explore ways of minimising this (such as with taxation measures) and assessing how differing levels of minimum price could make this more or less attractive to consumers. These issues will have to be monitored.

Overall the population benefits of establishing a minimum unit price for alcohol outweigh the possible disadvantages, none of which will provide any positive health effects.

**The level at which proposed minimum price should be set**

The ScHARR modelling appears to offer robust evidence on which to base Scottish pricing decisions.\(^1\) All the minimum prices modelled appear to produce net benefits, based on the clear evidence that alcohol consumption and harms deriving from this reduce with increases in price. It is notable that in the combined model (minimum price and total discount ban), the main effect below a minimum price of 40p is mainly due to a total discount ban. It is also notable that when minimum price is modelled alone, the overall net benefit at lower levels of minimum price may involve increased consumption and harmful consequences amongst some moderate and hazardous drinkers. Higher minimum prices both increase the overall benefit and have potential to avoid harmful consequences in any group.

Setting the price at a level which reduces the disparity between on- and off-trade may encourage people to drink in more regulated environments with their peers. Anecdotal evidence suggests that this may control the volume of alcohol consumed and produce psychological benefits due to social interaction.\(^1\) The level at which the price should be set therefore, should certainly be above the current average for off-trade sales, 45p. However, we would advocate an aspirationally higher unit price in order to achieve a greater and more significant reduction in harm and reduce the disparity between on-and off-trade.
Therefore we would advocate the implementation of a minimum price per unit alcohol of at least 60p in order to make a significant impact upon serious health and other issues facing Scotland.

It is most encouraging that there has been an observed decrease in the amount of alcohol sold in the off-trade sector since the ban on multi-buy deals in October 2011. Whilst this needs to be examined in greater detail, it suggests that measures designed to reduce consumption can be effective and demonstrable in the short-term as well as the long-term.

We feel that minimum pricing would be a proportionate response to the clear and significant threat posed by alcohol to the country’s current and future health and well-being. It would send the right public health message to the population and would be expected to reduce harms and save lives starting from the first year of implementation.

Thank you again for the opportunity to bring our views to the attention of the Committee.

Richard Carey
Chief Executive
NHS Grampian
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Black H, Gill J, Chick J. The price of a drink: levels of consumption and price paid per unit of alcohol by Edinburgh's ill drinkers with a comparison to wider alcohol sales in Scotland. Addiction 2010;106:729-736.


