

Consultation – Minimum Price for Alcohol

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek the views of Members in relation to a consultation by the Liverpool City Region Cabinet into proposals to seek a local by-law to enforce a minimum price for alcohol.

2.0 BACKGROUND

- 2.1 Cheshire and Merseyside Local Authorities, along with regional partners, have endorsed recommendations to set a minimum price of 50p per unit of alcohol.
- 2.2 The Mersey City Region Safer, Healthier Communities Board and the Cheshire and Warrington Health and Wellbeing Commission are working with partners across the Northwest region to implement a minimum pricing strategy for alcohol. This is part of an overarching strategy to reduce alcohol related harm (including crime and anti-social behaviour), to contribute to improving health and to reduce health inequalities across the region.
- 2.3 A minimum price per unit of alcohol would apply to both on and off licences i.e. pubs and licensed premises, plus supermarkets and off licences respectively. The new Government has committed in its 'Programme for Government' to "review alcohol taxation and pricing" and also to "overhaul the Licensing Act". Both these activities provide opportunities to influence government policy going forward.
- 2.4 This initiative has received recent media coverage and has been endorsed by a number of high profile organisations including Government's Health Select Committee, NHS Public Health Directors, NICE and Tesco amongst others.
- 2.5 Across Cheshire and Merseyside half the Primary Care Trust Boards, Cheshire East Council, City Region – Safer Healthier Communities Board, Cheshire and Warrington Health and Wellbeing Commission and Association of Greater Manchester Authorities (AGMA) have supported minimum pricing. Furthermore a growing consensus in the North West across local government, public health, policing, community safety, and politicians has emerged around the need for a minimum price per unit for alcohol. This has grown on the back of very serious costs to communities and public services from alcohol harm. A minimum price per unit of 50p or more would reduce consumption of very cheap alcohol amongst "problem" and younger drinkers and thereby reduce the impact of alcohol harm on moderate drinkers, poorer communities, public services and a hard pressed community pub trade.

2.6 In Merseyside the City Region Directors of Public Health commissioned Liverpool University to conduct a review of the evidence on the impact of alcohol minimum unit price on outcomes for consumption; spending; crime; employment; public sector finance; and wider social issues e.g. teenage pregnancy. The table below shows the projected impact on alcohol related deaths:

Merseyside: Deaths from alcohol attributable conditions, all ages, 2007					
Estimated reductions with 40p and 50p per unit alcohol pricing policy					
<i>Local Authority</i>	<i>female deaths</i>	<i>male deaths</i>	<i>total deaths</i>	<i>40p minimum price: full effect of deaths avoided per annum (11.3%)*</i>	<i>50p minimum price: full effect of deaths avoided per annum (27.8%)*</i>
Knowsley	23.37	35.41	58.77	6.64	16.34
Liverpool	61.42	146.48	207.9	23.49	57.80
Halton	18.15	28.01	46.16	12.83	12.83
St Helens	32.91	39.37	72.28	8.17	20.09
Sefton	31.29	66.75	98.04	11.08	27.26
Wirral	42.95	98.81	141.77	16.02	39.41
<i>Total</i>	<i>210.09</i>	<i>414.83</i>	<i>624.92</i>	<i>70.62</i>	<i>173.73</i>
<i>source: results from University of Sheffield study (2008) on estimated deaths avoided, applied to data on deaths from NPHO 2009 (http://www.nwph.net/alcohol/lape/download.htm)</i>					
<i>*the full effects of chronic disease risk reductions on deaths are modelled to take 10 years to have full effect (University of Sheffield, 2008)</i>					

2.6 Advice on the legal aspects of the introduction of a model bylaw is being undertaken by the North West organisation 'Our Life' and may require approval by the appropriate Secretary of State. If approved by the Secretary of State, the model bylaw will vindicate the minimum unit price campaign, whilst if it is declined it would send a message to Government that real and tangible action on alcohol pricing is now required.

3.0 **SOME KEY FACTS – FROM CHESHIRE AND MERSEYSIDE PUBLIC HEALTH NETWORK**

3.1 A minimum pricing policy would **NOT** punish sensible drinkers (at least not proportionately) – the 50p minimum price would cost harmful drinkers £15 extra per month, with a small impact on sensible drinkers of around £1 extra per month (Source: Sheffield University SchARR study 2008)

- Alcohol consumption in England has almost tripled over the last 60 years.
- In 2009 nearly 1 million people were admitted to hospital in the UK with alcohol related problems
- 45% of all violent crime is alcohol related

- Almost 7,000 deaths per year in England are directly related to alcohol
- Alcohol is now 75% more affordable today in relative terms than in 1980
- A price of 50p per unit would increase the price of supermarket brand cider sold now for £1.85 for 2 litres (17p a unit) to £5.30.
- 64% of cheap off-trade alcohol is consumed by harmful drinkers (more than 50 units per week for men and more than 35 units for women) 27% by hazardous drinkers (men - 21-50 units/women - 14-35 units) and only 9% by moderate drinkers (men – up to 21 units/women - up to 14 units).
- Harmful drinkers buy 15 times more alcohol than a moderate drinker and spend 10 times as much on alcohol than a moderate drinker.
- Harmful drinkers prefer cheaper drinks, and pay 40% less per litre of pure alcohol.
- A minimum price will hit heavy drinkers more, as minimum pricing would affect more of their preferred types of drink.
- According to Department of Health statistics, one in five young people between 11 and 15 drink more than 600 units a year.
- Annual savings of introducing could amount to saving 3,400 deaths, 98,000 hospital admissions, 300,000 days of workplace absence and 46,000 crimes
Within 10 years this could equate to a saving of £13bn
£1.4bn direct health cost savings & £4.9bn QALY gains
£413m direct crime cost savings & £616m QALY gains
plus savings in unemployment and reductions in workplace absence
(QALY -Quality Adjusted Life Years – a measure that summarises improvements in quality of life and survival)

3.2 What does this mean for the average drinker?

It would mean drinkers having to pay at least

- £6 for a six 500ml pack of lager (4% alcohol)
- £4.50 for a standard 750ml bottle of wine (12% alcohol)
- £5.50 for a two litre bottle of cider (5.5% alcohol)
- £14 for a 700ml bottle of whisky (40% alcohol)

3.3 Diseases and injuries attributed to alcohol

- Alcohol liver disease
- Epilepsy
- Lip/ oral cancer
- Breast cancer
- Haemorrhagic stroke
- Cardiac Arrhythmias
- Intentional self harm
- Fire injuries

Other effects of alcohol misuse include violent incidents, domestic violence, and suicide, death from fires, drowning, road deaths, and family breakdown.

3.4 The view of the Chief medical Officer of Health, Sir Liam Donaldson, is contained in the following quotation:

“Cheap alcohol is killing people and it's undermining our way of life. In my report price and access are two crucial factors affecting alcohol consumption. Introducing a minimum price of 50 pence per unit would mean that a typical bottle of wine could be sold for no less than £4.50 and a typical six-pack of lager for no less than £6. Research has shown that this would hardly impact upon those who drink at low-risk levels. It would significantly affect those who drink at high-risk levels, helping them to reduce

their own drinking and reducing the harms of passive drinking. Within 10 years of introducing this 50 pence policy, there would be major benefits. We would expect to see over 3,000 fewer deaths a year, 46,000 fewer crimes, 300,000 fewer sick days and 100,000 fewer hospital admissions. The total benefit could be as high as over £1 billion per year.”
[Sir Liam Donaldson, Chief Medical Officer (CMO) 2008]

4.0 A BYLAW APPROACH

4.1 Currently there is no expressed coalition support for introducing a national minimum price on alcohol. Therefore in the North West there is a proposal to act collaboratively to implement a bylaw which would introduce a minimum price. Based on legal advice (obtained by Our Life) this would entail:

- A significant number of local authorities across a coherent geographic area agree their support for the model by law proposal.
- This Merseyside coalition commissions the writing of a model bylaw or a lead local authority writes on their collective behalf.
- Each local authority seeks democratic approval via their own democratic processes.
- Once democratic approval is obtained the local authorities collectively present the model bylaw for approval to the Secretary of State.
- At the same time key stakeholders across public health, policing, fire and rescue, the voluntary sector and beyond write to the Secretary of State to urge approval of the model bylaw or announce national legislation.

4.2.1 If approved by the Secretary of State each applicant local authority implements the bylaw, preferably at the same time, with broadly agreed enforcement measures in place. These would be the responsibility of local authorities and trading standards.

5.0 CHALLENGES TO MINIMUM PRICING

5.1 The legality of a local minimum price is untested, although the industry cannot make a legal challenge until a bylaw has been approved and implemented. If a local bylaw is challenged either on legality or on competition law it is likely to strengthen the case for national legislation on pricing.

5.2 There is currently low public support for a blanket minimum price. Oct 2009 Big Drink debate showed 35.5% in agreement, 17% indifferent and 47.2% disagreed. Public messaging needs to be developed to raise awareness of the benefits of a minimum price and the low impact on moderate drinkers.

6.0 FINANCIAL & STAFFING IMPLICATIONS

6.1 There are no financial implications arising out of this report.

7.0 EQUAL OPPORTUNITIES IMPLICATIONS

7.1 Alcohol abuse affects the more deprived areas disproportionately and these areas are therefore more likely to benefit from the health improvements arising from the introduction of a minimum unit price for alcohol.

8.0 ANTI POVERTY IMPLICATIONS

8.1 Alcohol abuse affects the more deprived areas disproportionately and these areas are therefore more likely to be affected by the increased cost of alcohol and the benefits of lower alcohol consumption derived from the introduction of a minimum unit price for alcohol.

9.0 SOCIAL INCLUSION IMPLICATIONS

9.1 There are no specific social inclusion implications arising directly out of this report.

10.0 LOCAL AGENDA 21 IMPLICATIONS

10.1 There are no local agenda implications arising out of this report.

11.0 LOCAL MEMBER SUPPORT IMPLICATIONS

11.1 This report affects the entire Borough.

12.0 COMMUNITY SAFETY IMPLICATIONS

12.1 Any reduction in hazardous drinking by individuals may also be associated with a reduction in alcohol related crime and anti-social behaviour.

13.0 PLANNING IMPLICATIONS

13.1 There are no planning implications arising out of this report.

14.0 BACKGROUND PAPERS

14.1 There are no background papers.

15.0 RECOMMENDATION

15.1 That the Council seeks views on the introduction of minimum pricing of alcohol from the public, partner agencies, those organisations that support individuals with alcohol addiction and community and voluntary groups. The results of consultations will be brought to the next meeting of the Licensing Committee.

15.2 Endorse the usage of Section 235 Bylaws to progress the Bylaws approach.

This report was prepared by Rob Beresford who can be contacted on 0151 691 8606.