

MPA 42

Bil Iechyd y Cyhoedd (Isafbris am Alcohol) (Cymru)

Public Health (Minimum Price for Alcohol) (Wales) Bill

Ymateb gan Bwrdd Iechyd Addysgu Powys

Response from Powys Teaching Health Board



## **Powys Teaching Health Board Response to the Health, Social Care and Sport Committee Consultation on the Public Health (Minimum Price for Alcohol) (Wales) Bill**

**Date:** 29th November 2017

**Version:** 1

### **Terms of reference**

#### ***To consider—***

- *the general principles of the Public Health (Minimum Price for Alcohol) (Wales) Bill and the extent to which it will contribute to improving and protecting the health and well-being of the population of Wales, by providing for a minimum price for the sale and supply of alcohol in Wales and making it an offence for alcohol to be sold or supplied below that price.*
- *any potential barriers to the implementation of the provisions and whether the Bill takes account of them;*
- *whether there are any unintended consequences arising from the Bill;*
- *the financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum);*
- *the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum).*

### **Invitation to contribute to the inquiry**

*The Committee welcomes evidence on the terms of reference and the extent to which the Bill will contribute to improving and protecting the health and well-being of the population of Wales.*

## 1. Introduction

- 1.0 Powys Teaching Health Board (PTHB) welcomes the opportunity to comment and give evidence on the Public Health (Minimum Price for Alcohol) (Wales) Bill. However, please note that the response set out below is being submitted subject to formal approval by PTHB Board to comply with the consultation response deadline.
- 1.1 PTHB submitted a consultation response to the Public Health (Wales) Bill in 2015. As stated in 2015, PTHB strongly supports the implementation of minimum unit pricing (MUP) and believes that the implementation of MUP signifies a firm commitment to improving and protecting the health of the population in Wales.
- 1.2 The current consultation questions set out by the Health, Social Care and Sport Committee on the Public Health (Minimum Price for Alcohol) (Wales) Bill differ from those presented in 2015. Therefore, the current document provides an updated response (where relevant). However, our views on the implementation of MUP remain unchanged. We have sought to update key facts and evidence which lend further support to the implementation of MUP in Wales.

## 2. Terms of Reference

***The general principles of the Public Health (Minimum Price for Alcohol) (Wales) Bill and the extent to which it will contribute to improving and protecting the health and well-being of the population of Wales, by providing for a minimum price for the sale and supply of alcohol in Wales and making it an offence for alcohol to be sold or supplied below that price.***

- 2.0 Many of the points set out below were included in the consultation response submitted by PTHB in 2015. Our previous submission has been used as a framework in responding to the terms of reference stated above.
- 2.1 PTHB welcomes the Welsh Government's proposal to introduce a "floor price" below which alcohol cannot be sold. The Health Board considers a pricing policy to be an important part of any effective strategy to reduce the harm that alcohol causes to people's health and wellbeing and to reduce the costs to health and social care services resulting from alcohol misuse.
- 2.2 Minimum unit pricing is a particularly important measure as it specifically targets drinks which are cheap relative to their alcohol content. As a result, it is likely to have the greatest impact on

people who are at the highest risk from alcohol-related illness and death i.e. people who drink at a hazardous or harmful level whilst having only a limited impact on the drinking habits of those who drink at a moderate level (including those on low incomes).

- 2.3 Overall, alcohol places a considerable burden on the healthcare system in Powys and on the services that the Health Board provides and commissions for the local population. We know that drinking alcohol increases the risk of developing over 60 different health problems including a range of cancers, liver disease, high blood pressure, injuries and a variety of mental health conditions<sup>1,2</sup>. It also increases the risk of causing harms to the health of others.
- 2.4 As a Health Board we consider that the introduction of a minimum price for alcohol is an important, highly cost effective, public health intervention that has the potential to make a significant contribution towards improving the health of our local population and, through its impact on heavier drinkers, to contribute over time to a reduction in health inequalities. We anticipate that it would be effective both as a targeted and as a population-wide public health intervention.
- 2.5 In support of our view, we note that minimum unit pricing is supported by the National Institute for Health and Care Excellence (NICE) as an effective way to reduce alcohol-related harm<sup>3</sup>. Considerable research evidence is available which shows that alcohol consumption is sensitive to cost, that minimum unit pricing would make alcohol less affordable by targeting price increases to low cost/high strength beverages, that minimum unit pricing would have the greatest impact on people who drink at harmful levels, and that it would have whole population benefits whilst having only limited effect on alcohol consumption amongst people who drink at moderate levels<sup>3,4,5</sup>.
- 2.6 In addition, in the UK we have seen significant improvements in relation to other health harming behaviours with the introduction of policy and law changes (e.g. the introduction of the smoking ban in public places).
- 2.7 A model-based appraisal of minimal unit pricing for alcohol in Wales produced using methodology developed from the Sheffield Alcohol Policy Model suggests that the introduction of MUP;<sup>5</sup>
- would be effective in reducing alcohol consumption, alcohol-related harms and the costs associated with alcohol-related harms (including alcohol-related deaths, hospitalisations, crimes and workplace absences);

- would have only a small impact on moderate drinkers, a bigger impact on “increasing risk” drinkers and the greatest impact on “high risk” drinkers;
- would have a larger impact on people living in poverty, particularly high risk drinkers compared to those not in poverty and would therefore have the potential to support a reduction in alcohol-related health inequalities.

2.8 The introduction of minimum unit pricing would complement other work that is already taking place in Powys to address alcohol-related harm to health. This includes the work of the Harm Reduction Group under the Substance Misuse Area Planning Board, the implementation of Making Every Contact Count, and alcohol brief advice training, and the work done in schools by the School Nursing Service, the Healthy Schools Scheme and the Community Alcohol Partnerships currently operating in two towns in Powys. It would also complement the work taking place locally and nationally to address Adverse Childhood Experiences (ACE’s). The proposed legislation therefore also has the potential to strengthen existing actions to reduce alcohol consumption and alcohol-related harm.

***Any potential barriers to the implementation of the provisions and whether the Bill takes account of them;***

2.9 PTHB acknowledges that there may be some barriers in implementing the Bill and we agree that the Bill has taken account of these barriers. We do not feel that any of the barriers mentioned in the Bill should prevent it being passed.

2.10 Many of the barriers relate to the implementation costs for retailers. For example there will be a cost to updating systems to reflect the new prices. This is recognised within the Bill, although the costs are currently unknown. Certain chain stores (e.g. supermarkets) will need different pricing systems depending on whether they are based in England or Wales. There will also be a time cost in relation to implementing the MUP for retailers.

2.11 Online/mobile businesses licensed in Wales will need to charge in line with MUP when supplying to customers in Wales. Welsh Government does acknowledge that such sales may cause a significant implementation challenge for some retailers. Views were sought on this subject in the consultation on the draft Bill. It was generally agreed that alcohol sold online/via telephone is mostly priced above the MUP, and therefore sales would be largely unaffected. In addition, harmful and hazardous drinkers who are the main targets of MUP are more likely to buy alcohol in

supermarkets/grocers than online<sup>6</sup>. However as stated within the Bill, it is important that this is monitored.

***Whether there are any unintended consequences arising from the Bill;***

- 2.12 PTHB acknowledges that there may be some unintended consequences that arise as a result of implementing the Bill. However we believe that these consequences should not prevent the Bill from being passed.
- 2.13 Differences in the legislation in Wales and England could affect purchasing behaviours. It is possible that some individuals may order or purchase alcohol from England or other countries to avoid paying the minimum price (depending on availability and ability and willingness to travel). However, evidence presented within the Bill demonstrates that the online sales market is currently dominated by drinks which are already priced above the proposed minimum unit price of 50p. There is also evidence that harmful and hazardous drinkers (who are the main targets of MUP) are more likely to buy alcohol in local supermarkets/grocers than online<sup>7</sup>. In addition, few border areas have a high concentration of very heavy (binge) drinkers. Therefore it is acknowledged that it is unlikely that minimum unit pricing would have a major impact on current patterns of purchasing including online sales of alcohol.
- 2.14 In the longer-term, minimum unit pricing is likely to lead to a range of savings for local authorities. This may include savings associated with the provision of social care and potentially in other areas such as housing, employability, community safety and education. However, in the short term there is likely to be a cost to implementation of MUP, for activities such as enforcement, publicity and education. It is important that local authorities are aware of potential cost increase for trading standards services and for retailers and the public. However, as stated within the Bill, it is likely that overall for local authorities, savings would outweigh any costs.
- 2.15 There is a possibility that people on low incomes who currently purchase alcohol below MUP will continue to drink alcohol and pay the higher price, but spend less on food/heating for family. This is detailed by Christopher Snowdon (2014)<sup>8</sup> from the Institute of Economic Affairs. This is likely to cause health related problems and complexities for the individual and their family. If this pattern is observed on a wide scale, it could contribute to a widening of health inequalities. This is something that we believe would need to be monitored. The evaluation of MUP outlined within the Bill is welcomed in this respect.

- 2.16 If the MUP legislation is successful in motivating dependent drinkers to give up alcohol, there is likely to be an increased demand on services<sup>9</sup>. Again, this is something that needs to be monitored in order to ensure services are able to accommodate a potential increased demand.
- 2.17 It is possible that the MUP could lead to an increase in the trading of, and use of illicit alcohol<sup>8</sup> which is not currently a significant problem in Wales. If this does happen it is likely to put increasing pressure on Trading Standards in local authorities. The Bill recognises that this is a low risk, but will remain under review.
- 2.18 We acknowledge that alcohol production makes a contribution to the local economy (such as from distillery and microbrewery businesses). However protecting the public from harmful or hazardous drinking must be our priority.

***The financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum);***

- 2.19 There will undoubtedly be costs associated with implementing the Bill, particularly in relation to administrative costs, enforcement, evaluation, compliance costs for retailers, and the increase in costs to consumers who currently purchase alcohol below MUP.
- 2.20 However there are significant benefits and cost savings related to implementing MUP in the long term, including a reduction in costs related to health harms, crime, workplace absenteeism.
- 2.21 PTHB believes that although there will undoubtedly be significant costs relating to implementing the Bill, the long-term savings will outweigh these costs. These projections are highlighted by the Sheffield Model<sup>5</sup> and detailed within the Bill. There are no additional costs that we are aware of that have not been considered within the Bill.

***The appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum).***

- 2.22 PTHB agrees that the subordinate legislation outlined within the Bill is appropriate and relevant. We agree that it is important to adjust MUP in consideration of inflationary trends.

## References

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3. National Institute for Health and Care Excellence. Public Health Guideline [PH24]. *Alcohol-use disorders: prevention*. (2010). Available at: <https://www.nice.org.uk/guidance/ph24> [Accessed November 2017]
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5. Meng, Y et al. Model-based appraisal of minimum unit pricing for alcohol in Wales: An adaptation of the Sheffield Alcohol Policy Model version 3. Sheffield: SCHARR, University of Sheffield. (2014).
6. 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* 2014; 106:729-736.
7. Public Health Wales Observatory. *Alcohol and Health in Wales, Betsi Cadwaladr UHB Summary*. 2014.
8. Snowdon C. (2014). Costs of minimum alcohol pricing would outweigh benefits. *British Medical Journal*, 2014; 348.
9. O'May F, et al. Heavy Drinkers' perspectives on minimum unit pricing in Scotland: A qualitative interview study. *Sage Open*. 2016.