

Developing the LGA's position on measures for reducing alcohol-related harm.

Purpose

For discussion and direction.

Summary

Our members continue to press for further support to tackle alcohol-related harm in their local areas. At the December 2016 SSCB meeting, board members requested a paper exploring price-based mechanisms for doing this, including minimum unit pricing. The European Court of Justice ruling in December on minimum unit pricing however introduces significant challenges to its introduction in England.

The focus of this paper is therefore on measures that are likely to be equally effective, more easily implemented and deliverable over a shorter timescale. The proposals focus on three areas:

1. Extending effective harm-reduction measures in the on-trade to the off-trade
2. Lobbying for amendments to the duty regime
3. Reducing the strength of alcohol and boosting consumer awareness of strength

Recommendations

Members are asked to:

1. note the European Court of Justice's decision on the Scottish case;
2. determine which, or any, of the proposals in paragraphs 6, 9, 16 and 20 should be taken forward; and
3. provide a steer on the suggested engagement plan in paragraph 22.

Action

Officers to develop key lines subject to Members' comments.

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Background

1. Councils continues to have concerns about the negative impacts of high alcohol consumption on some drinkers.
2. From 2008/09 to 2013/14, A&E attendance rates likely due to alcohol poisoning doubled, from 72.7 per 100,000 population to 148.8 per 100,000 population (a 104.6% increase).¹ From 2005/06 to 2013/14, emergency admissions specific to alcohol increased by 54%, from 375 in 100,000 people to 577 in 100,000.

Minimum Unit Pricing

3. Evidence suggests that price-based measures are an effective way of reducing these harms for higher-risk drinkers. The LGA previously discussed the issue of pricing in 2012 and concluded it would not publicly support a minimum unit price. Since then legislation to introduce a minimum unit price has been passed in Scotland.
4. On 23 December 2016, the European Court of Justice ruled on the Scottish Whisky Association's legal challenge to the Scottish Government's proposal to introduce a minimum unit price for alcohol. This established that minimum pricing would only be legal if it does not go beyond what is necessary for achieving the objective, and must be the least restrictive measure available.
5. The Court of Justice gave a clear indication that it considered taxation to be a less restrictive measure in most circumstances, although it left the final decision to national courts. This introduces significant challenges to the implementation of a minimum unit price in England at least in the short term.
6. Councils do have however a wide-range of existing tools and levers which could address the issue through other routes. For instance, low-cost, high strength products are almost invariably sold by off-licences, including supermarkets, suggesting that measures to promote responsible retailing in the off-trade will have a corresponding impact on consumption of low-price, high-strength alcohol.

Extending measures to the off-trade

7. There are a number of established schemes to manage the risk of harm in the on-trade, ranging from sharing good practice through Pubwatch, to cumulative impact policies, and the Best Bar None scheme. However, the inclusion of off-licences within existing best practice schemes and policies is patchy.
8. The LGA could:
 - 8.1 Identify and share examples of cumulative impact policies that cover off-licences;
 - 8.2 Work with Pubwatch and the Association of Convenience Stores (ACS) to explore the possibility of either extending Pubwatch to include off-licences, or create a version focused on off-licences;

¹ Alcohol-specific activity in hospitals in England, Nuffield Trust, 2015.

<http://www.nuffieldtrust.org.uk/publications/alcohol-specific-activity-hospitals-england>

- 8.3 Seek the introduction of a responsible retailer scheme comparable to the gambling industry approach, which requires visible display of addiction helplines and advice.

Amending the alcohol duty regime

9. The current alcohol duty regime is unbalanced. The system does not sufficiently allow for different production costs, resulting in the strongest drinks being the cheapest available and lower-strength products like beer being the most expensive available. The ultimate effect is to make large quantities of high-strength alcohol available at affordable prices to problem drinkers.
10. In 2011, Government reformed tax on beer which saw a new high strength beer duty on products above 7.5% ABV set at 25% above the main beer duty rate, and a reduction by 50% for weaker beers of 2.8% ABV or less. Within a year of the Chancellor's announcement of the tax break for low alcohol beers, sales of these products had risen by over 40% nationwide. Industry data for 2013-2014 has shown further significant (8.4%) growth in off-trade volumes of no/low alcohol beer in the UK, whilst a survey by the Campaign for Real Ale (CAMRA) indicates that that 52% of drinkers would consume a lower-strength beer if it were available in their local pub.
- 11. Replicating this approach for cider would tackle the problematic, high strength ciders like Frosty Jacks, while protecting the specialist West Country ciders. These are the products primarily sold in off-licences, rather than pubs and clubs. Although this power is not within the gift of councils, the LGA could lobby Government to extend its previous duty changes to cider.**
12. Studies have shown that changes in population alcohol consumption are unlikely to have a direct impact on jobs in the alcohol sector², and Researchers from John Hopkins Bloomberg School of Public Health have shown how even modest increases in alcohol tax can actually lead to a net gain in employment with excessive drinkers paying a greater share of these taxes.
13. Amending the alcohol duty regime would be compliant with the European Court of Justice ruling on Scotland's minimum unit price.
14. The British Beer and Pub Association, British Pub Confederation, Alcohol Concern and Alcohol Health Alliance have previously made statements to support this approach. The Cider-makers Alliance would strongly oppose it.
- 15. Lobbying government on duty regimes would be a departure from the LGA's usual policy. If the Board(s) is interested in supporting this approach, it is advised that further modelling on the changes needed is undertaken before any public statement is made.**

² Baumberg, B and Anderson, P, 'Alcohol in Europe: A public health perspective', European Commission 2006, accessed at:
http://ec.europa.eu/health/ph_determinants/life_style/alcohol/documents/alcohol_europe.pdf

Reducing the consumption of units of alcohol

16. High levels of consumption can also be tackled by providing consumers with greater choice to manage their own levels of consumption effectively. A number of ways to manage down levels of consumption already exist, while others have been explored on a theoretical basis.
17. **Removing 1 billion units from alcohol supply by 2015:** Part of the Coalition Government's flagship, yet controversial, Responsibility Deal, this has been achieved through reducing the strength of drinks. It is unclear what practical impact this has had on consumption, as 1 billion units is a very small fraction of the units consumed each year (and there is some dispute as to whether the pledge has actually been delivered, although industry believe that it has). However, consumption by young people is reported to be decreasing, although again this is believed to reflect a shift to consumption extremes where a smaller percentage of the population consume a greater proportion of the alcohol.
18. The Responsibility Deal is not expected to be renewed, despite calls for this or a related scheme from the alcohol industry. However, retailers have shown a willingness to engage in further work around this. If the LGA were to support such moves, it is suggested that we:
 - 18.1 Call for a more ambitious target (1 billion is a very small proportion of units consumed)
 - 18.2 Call for an independent verification process. The Government is reportedly considering introducing a watchdog to oversee a reduction in sugar levels; if it materialises the LGA could lobby for it to oversee alcohol as well.
19. Control over units consumed is not directly within the power of local government, and could be said to impact on personal choice. In making its decision, the Board will wish to consider what target it wishes to set and whether it is achievable.
20. The Board may also wish to consider whether there are other options to achieve the same aim, such as expressing local government's broad ambitions to reduce alcohol consumption (as per their public health responsibilities) and sharing best practice where there have been successes.
21. **Reducing the Strength campaigns:** A number of councils have introduced these schemes, which directly tackle those products associated with street drinking and violence. This is arguably a more targeted approach when it comes to reducing crime, although the impact on wider public health is smaller than that offered by other measures.
22. The LGA has published guidance on these schemes following continuing challenges over their legality under competition law. We estimate that only 25 schemes are in operation, although around 100 councils originally considered introducing a scheme. We believe that this indicates that most councils feel there are other effective solutions to their local issues and that an LGA push on these schemes would not be the best use of resources, beyond maintaining our existing publication on establishing these schemes.

23. **Encouraging the diversification of products into low-, and alcohol-free, products:** This is a rapidly emerging market and is particularly popular with younger demographics. Supermarkets like Sainsbury and producers like Heineken have been leading the way in developing own-brand products in these fields, but other retailers and producers are lagging behind.
24. The LGA could support the reduction of units consumed, through faster rollout of alternative-choice products, by:
- 24.1 Supporting Alcohol Concern's 'Zero Alcohol Awards', which recognise and reward the range of zero alcohol drinks provided by retailers, bars and pubs across the country, alongside the innovators bringing new products to the market and creating new environments to enjoy them in.
 - 24.2 Highlighting the work of initiatives such as Hackney's Club Soda project, which aims to help licensed premises provide a viable non-alcoholic offer for non-drinkers or those seeking to moderate their alcohol consumption.
 - 24.3 Lobby government to redefine the restrictions on advertising a product as 'reduced' or 'low' strength. This would need to be done carefully, in line with expert medical opinion, but has the potential to reduce overall units consumed.

Industry engagement

25. Delivery of any of the measures outlined above will require effective engagement with the alcohol industry. The LGA already has effective links with many of the key players, including the ALMR, British Beer and Pub Association, ACS, the Supermarkets licensing group, and the Portman Group. We have also recently opened discussions with the Night-time Industries Association (NTIA), who mainly represent the club and events scene, primarily in London.
26. Having agreed our policy position and recommendations to Government, members may wish to discuss the LGA's engagement in discussions with key stakeholders. This could include:
- 26.1 Hosting a roundtable between Board members and the industry representatives above to discuss the issues concerning councils and identify ways in which we can further work in partnership to tackle them.
 - 26.2 Engaging with government ministers and officials to highlight our policies.
 - 26.3 Engaging with parliament to build support for our policy proposals. For example we can respond to relevant select committee and All-Party Parliamentary Group (APPG) inquiries highlighting our recommendations, brief for relevant parliamentary debates government, and meet with key MPs and Peers working in this area.

Next steps

27. The potential work-streams outlined above would be in addition to the LGA's existing work to:

- 27.1 Introduce a health objective to the Licensing Act 2003
- 27.2 Localise fees under the Licensing Act 2003
- 27.3 Provide general improvement support to councils as licensing authorities
- 27.4 Make the financial case for investment in preventative drugs and alcohol treatment services

28. Members are asked to:

- 28.1 note the European Court of Justice's decision on the Scottish case;
- 28.2 determine which, or any, of the proposals in paragraphs 8, 11, 18 and 24 should be taken forward; and
- 28.3 provide a steer on the suggested engagement plan in paragraph 26.

Financial Implications

29. All work can be carried out using existing LGA resources.