



Dave Hogg

**Crime and Disorder Programme
Manager BALANCE**

A Changing Environment

Price

- 75% cheaper than 1980
- £1.21 for 2 litres of cider
- Bottled water costs more than a can of lager

Marketing

- £800m a year
- TV, billboards, leaflets, sponsorship

Availability

- 24/7, 365 days a year
- Service stations
- Dial-a-drink

Drinking Habits

- Home Drinking Increased
- Pre Loading
- Consumption doubled in 40 years



Drinks

- Much Stronger
- 'Designer' drinks
- Vastly expanded choice

Aim is now to get as drunk as possible as quickly as possible!

The Impact in Stockton

Health

- ✱ The NE has the highest rate of alcohol-related hospital admissions in England - 1 person is admitted to hospital every 8 minutes for an alcohol related condition in our region
- ✱ One of the highest alcohol related death rates amongst females in the country (Ranked 302 out of 326)
- ✱ One of the highest rates of binge drinking (ranked 314 out of 326)
- ✱ Stockton has one of the higher rates of alcohol related deaths amongst males (Ranked 285 out of 326)

The Impact in Stockton

Crime & Disorder

- ✱ 50% of all violent crime is alcohol related
- ✱ 66% of stranger violence and wounding offences take place between midnight and 6am
- ✱ Around 70% of PNDs issued are for alcohol related offences

Confidence

- ✱ 53% of people think alcohol is a major cause of crime
- ✱ NE residents have the highest perception of people being drunk or rowdy in public places in England

The Impact in Stockton

Victims

- ✱ 62% of victims of stranger violence believed their assailant to be under the influence of alcohol
- ✱ Research indicates 97% of domestic abuse victims use alcohol to numb the physical and psychological pain of the abuse

Reoffending

- ✱ Over one third of offenders being supervised by the National Offender Management Service in the North East are believed to be alcohol dependent

The Impact in Stockton

Organised Crime

Alcohol smuggling is a key contributor to organised crime – in the last three months alone HMRC officers have seized more than 60,000 litres of illegal alcohol from across the North East region

The Impact in Stockton

Young People

- ✦ 10–15-year olds who have been drunk once a month or more in the past year are over twice as likely to commit an offence than those who have not
- ✦ Young people aged 18-24 who binge drink are far more likely to admit to committing criminal or disorderly behaviour during or after drinking

The Impact in Stockton

- 22% of Stockton residents drink to get drunk
- 1 in 3 of all drinkers in Stockton have got into a risky situation as a result of consuming too much alcohol
- 67% of Stockton residents believe it is acceptable for a woman to consume a full bottle of wine on a night out
- 28% of Stockton residents admit binge drinking weekly

But:-

- 91% residents are concerned about alcohol related violence
- 83% are concerned about the costs for the NHS
- 92% are concerned about young people drinking in public places

Minimum Price

Is it the answer?



Minimum Price – Current Alcohol Costs

Price survey:

- Cider available for 12p per unit
- Own brand lager / bitter 22p a can
- Cans and bottles of leading brand lager same or cheaper than a 500ml bottle of leading cola
- Own brand vodka from £6.98
- Average weekly pocket money of £6.24 can buy 5 x bottles of dry cider



BALANCE
Getting the
measure of alcohol

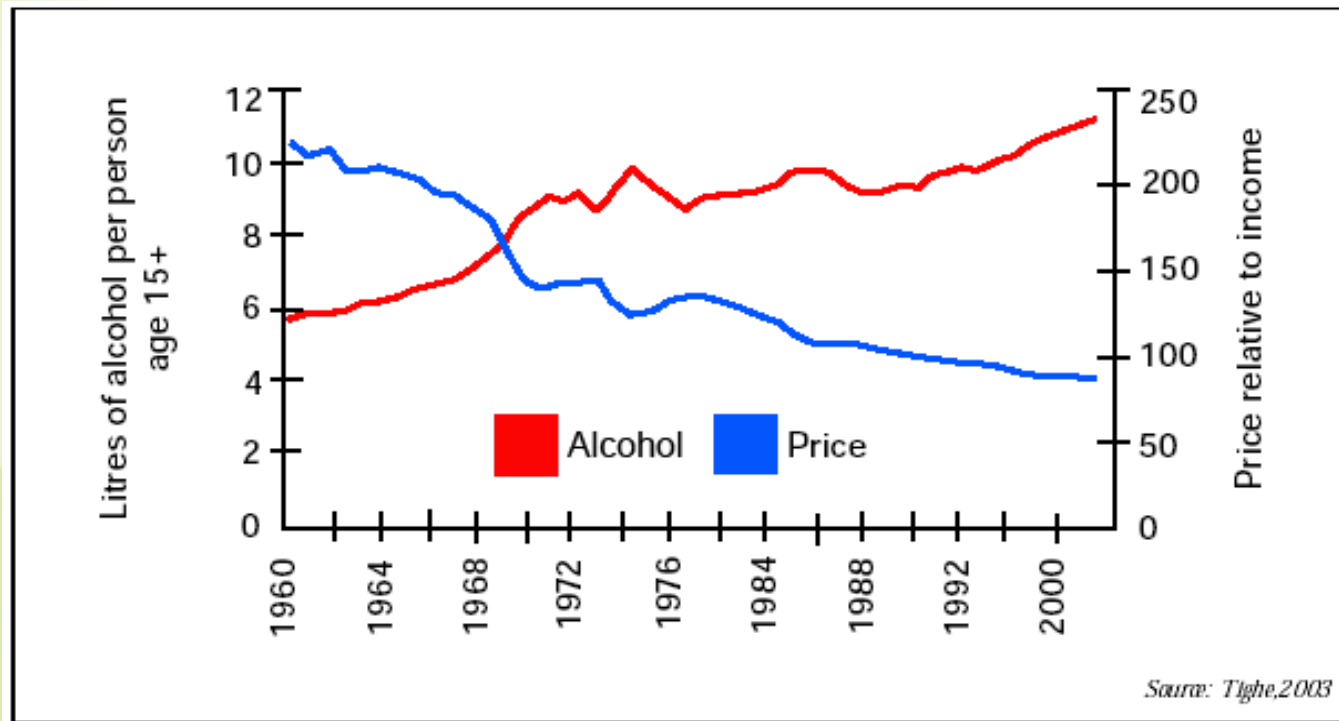
500ml
INDUSTRIAL
STRENGTH
CIDER
7.5%
99p

Pop
99p

SELLING ALCOHOL
AT POCKET MONEY PRICES


BALANCE – Getting the measure of alcohol Page 1 of 21

Minimum Price - Facts



- Average annual alcohol intake equivalent to 120 bottles of wine
- Since 1970 alcohol consumption has increased by 40%
- Alcohol 75% cheaper than in 1980

Minimum Price - Facts



Have your say
North East Big Drink Debate Questionnaire

Please fill in anonymously, print and return to the freepost address below or email to questionnaire@northeastbigdrinkdebate.org.uk

Freepost RS8T-UZJE-LYXA
Balance, 2 Chancery Lane,
Darlington DL1 5QP

For the purpose of this questionnaire, one standard drink is equal to one unit of alcohol. For Q4 and Q5, please refer to units table below.

Q1. Do you drink alcohol?
Yes (please go to Q3) No (please go to Q2)

Q2. Why don't you drink alcohol? (you may tick one or more option)
For health reasons I don't like the taste
I don't like the way I behave when I drink I choose not to
For cultural / religious reasons Other (please specify) _____
(Please go to Q12b now)

Q3. How often do you have an alcoholic drink?
Monthly or less 4 - 5 times a week
2 - 4 times a month 6 or more times a week
2 - 3 times a week

Q4. How many units of alcohol do you drink [a] on a typical week day? (See below for unit chart)
0 5 - 6
1 - 2 7 - 9
3 - 4 10 or more

[b] on a typical weekend day? (See below for unit chart)
0 5 - 6
1 - 2 7 - 9
3 - 4 10 or more

One Standard Drink is:

Half pint of regular beer, lager or cider	Small glass of wine	Single measure of spirits	Small glass of sherry	Single measure of aperitifs
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The following quantities of alcohol contain more than One Standard Drink:

2	3	1.5	2	4	2	9
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- 43% of Stockton residents stated that increased alcohol prices would reduce their consumption levels
- 28% of Stockton residents stated that discounted alcohol increases their consumption levels

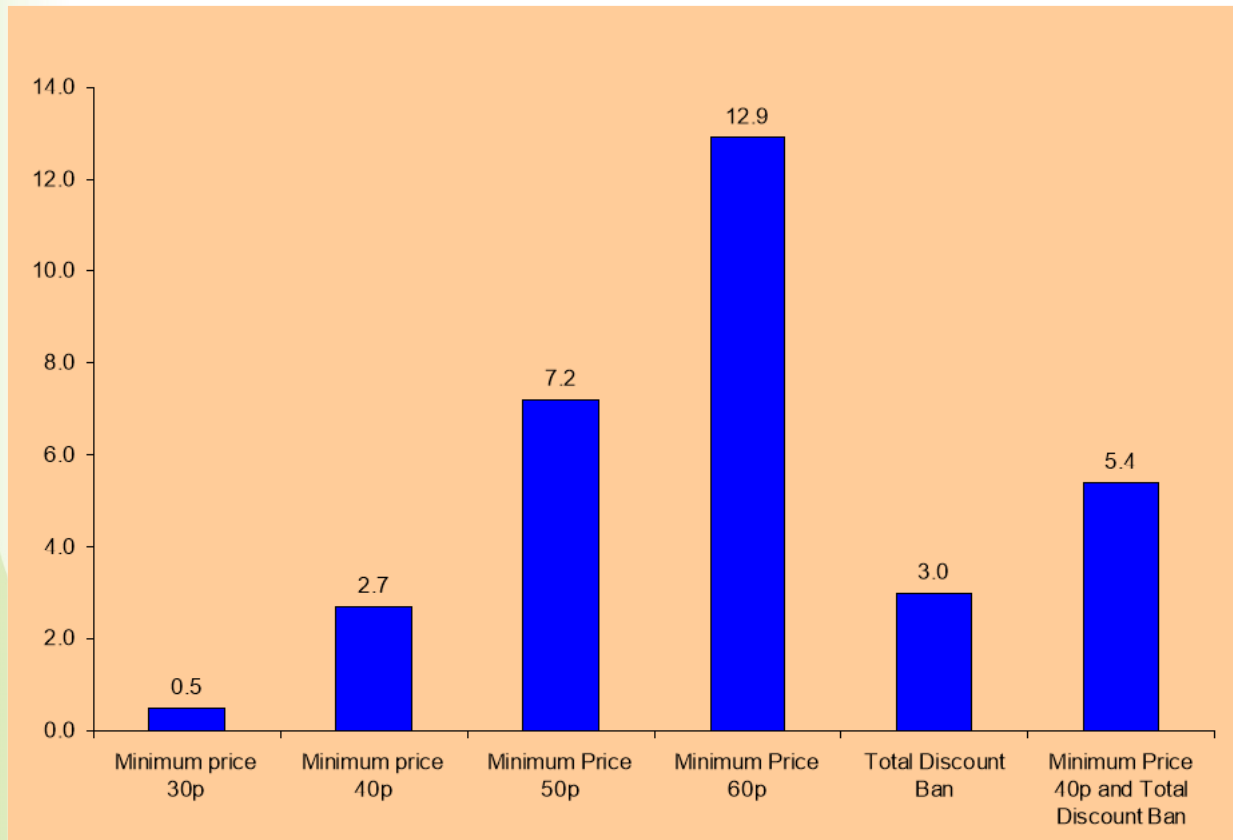
Minimum Price - Benefits

The Chief Medical Officer has demonstrated that if a minimum price of 50p per unit was to be introduced, after 10 years the following benefits would accrue:-

- 3,393 fewer deaths
- 97,900 fewer hospital admissions
- 45,800 fewer crimes
- 296,900 fewer sick days
- Would encourage a switch to weaker drinks
- It would benefit traditional pubs and discourage pre-loading.

Minimum Price - Benefits

Reduction in consumption (%)



Minimum Price - Benefits

- Total healthcare costs saved in England of £66m in year one and over £1bn in 10 years
- Total crime costs saved in England of £49.6m in the first year and £413m over 10 years
- Total unemployment costs saved in England of £793m in year one and £5.4bn over 10 years.

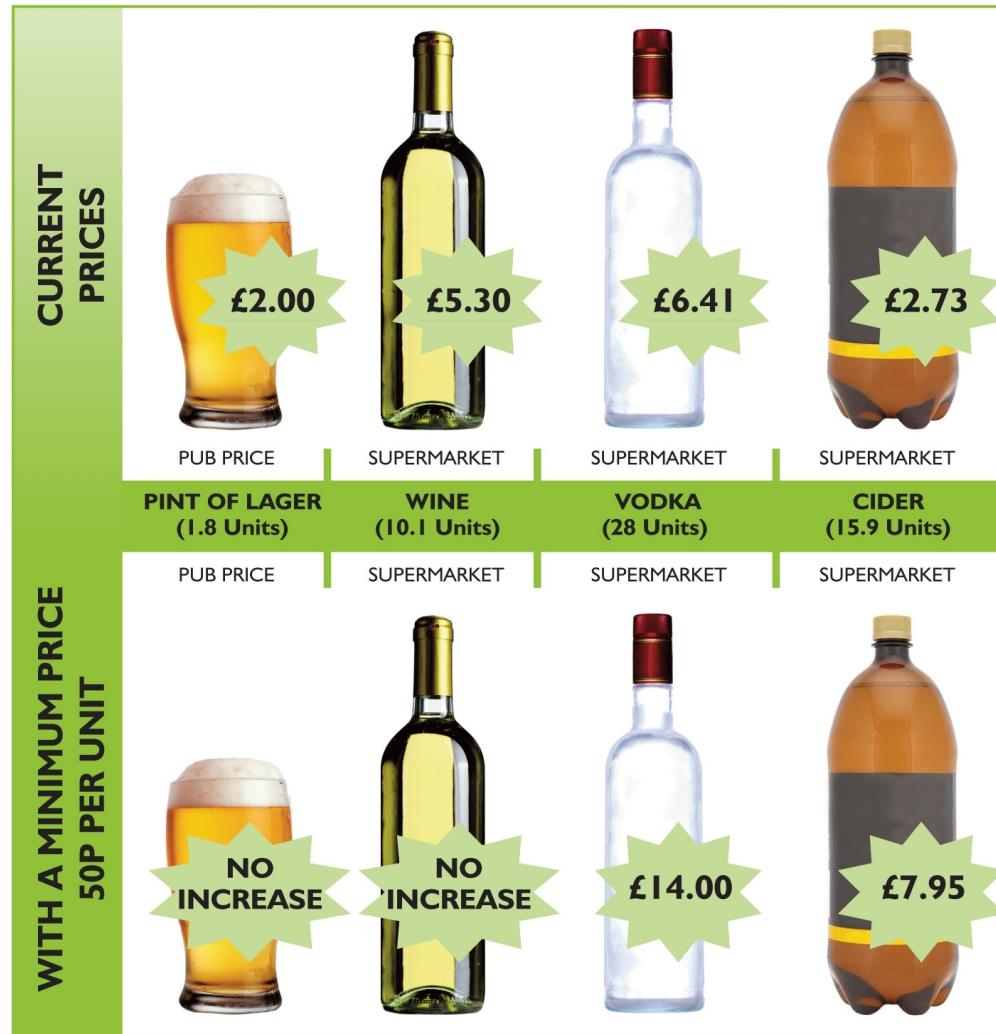
Minimum Price – Impact Upon Consumers

Based upon a minimum 50p per unit:-

- ▶ 750ml bottle of wine (12% abv) – minimum price £4.50
- ▶ A 700ml bottle of whisky (40% abv) – minimum price £14
- ▶ Six 500ml cans of lager (4% abv) – minimum price £6
- ▶ A two-litre bottle of cider (5.5% abv) – minimum price £5.50

Minimum Price – Impact Upon Consumers

Based upon a minimum 50p per unit:-



Minimum Price – Impact Upon Consumers

Based upon a minimum 50p per unit:-

- Moderate drinkers would spend an extra £11.81 per year, or 22.7p per week if they reduce consumption by 3.5% as predicted.
- Even if they did not decrease their consumption at all, moderate drinkers would still only pay £14.45 per year more, or 27.7p per week
- A harmful drinker would pay an extra £3.13 per week
- A heavily dependant drinker would see their weekly alcohol bill rise from £23 to £105.

Minimum Price – The Arguments Against

“Why unfairly punish the majority for the sins of the minority”

This argument is used extensively by the drinks industry and politicians when referring to minimum price – principle is that a rise in price would unfairly affect the majority of moderate drinkers. Also it is suggested that heavier drinkers are insensitive to price changes

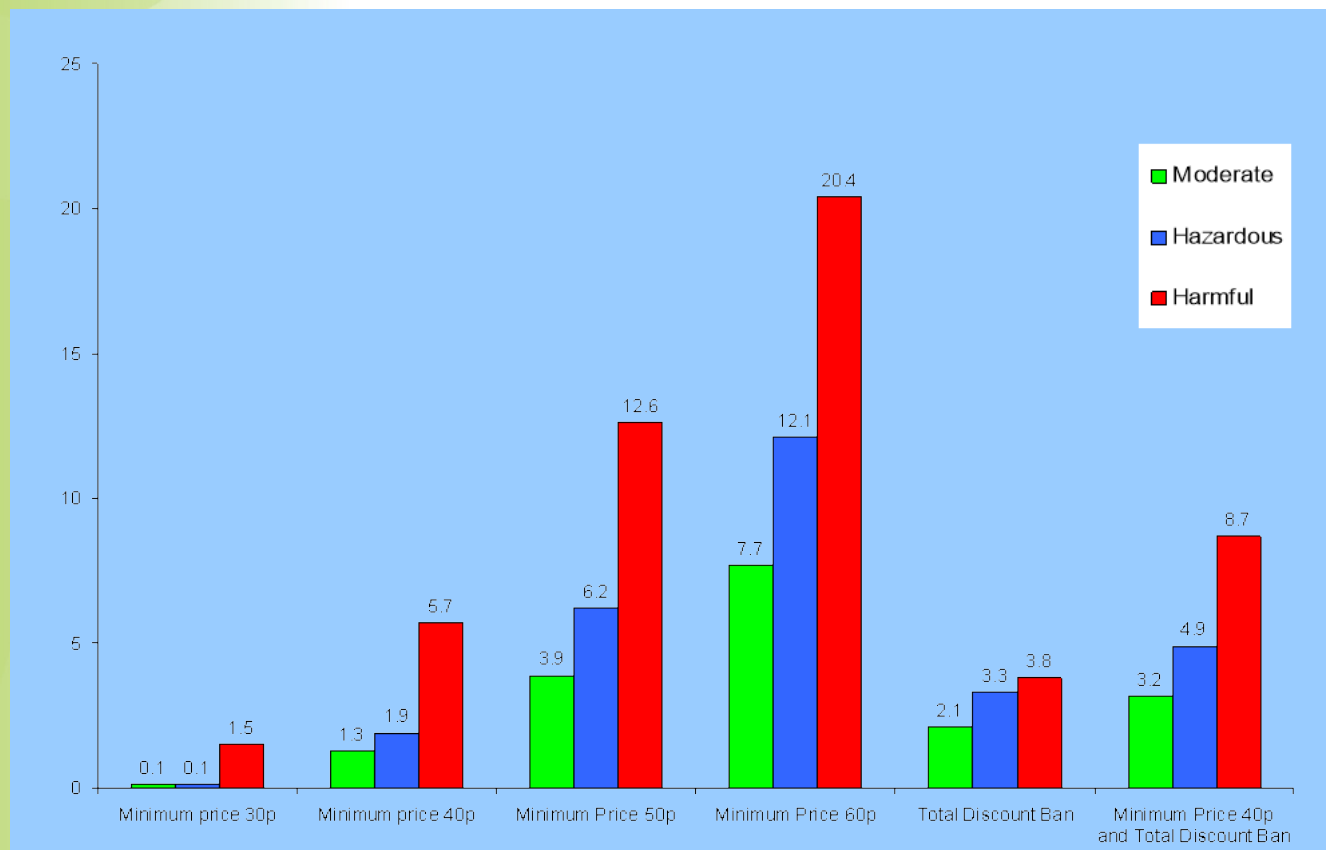
Minimum Price – The Arguments Against

The Facts

- Moderate drinkers consume only one quarter of all alcohol sold
- Conversely hazardous and harmful drinkers consume three-quarters of all alcohol sold
- The additional costs for moderate drinkers on a weekly basis would be no more than 28p
- The drinks industry is dependent on hazardous and harmful drinkers for three-quarters of its sales and if people drank within recommended limits alcohol sales would potentially plummet by as much as 40%.

Minimum Price – The Arguments Against

The Facts

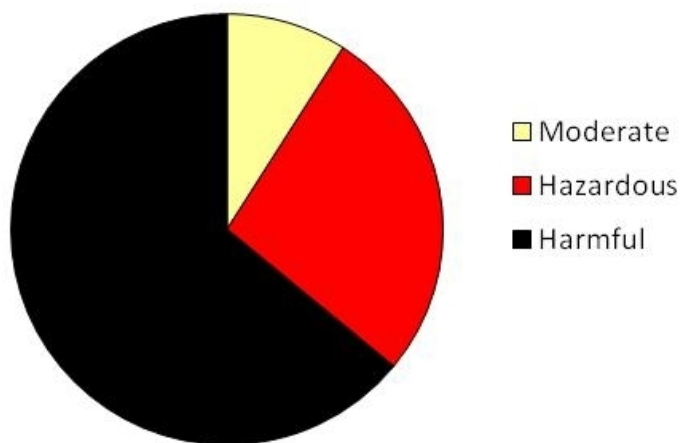


Reduction in consumption by drinking group (%)

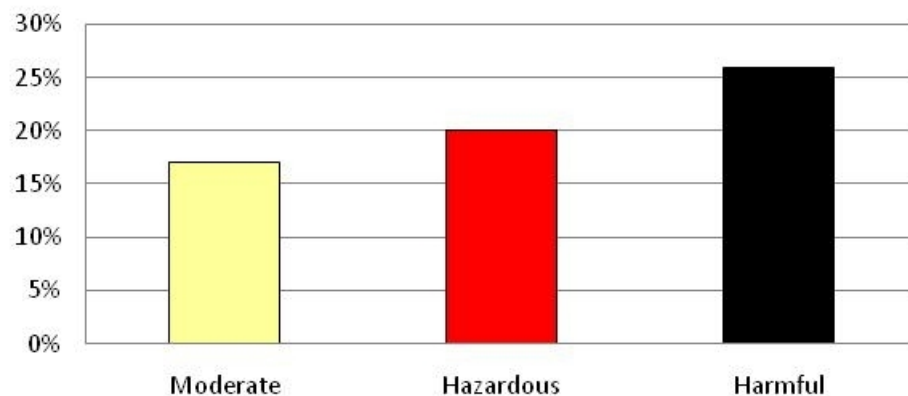
Minimum Price – The Arguments Against

The Facts

% of cheap alcohol drunk by...



% of cheap alcohol as proportion of all alcohol drunk



64% of all cheap off-trade alcohol is consumed by harmful drinkers - only 9% by moderate drinkers

Minimum Price – The Arguments Against

The Facts

- Higher prices would be particularly effective in reducing drinking among low income heavy drinkers who suffer most from alcohol-related disease.
- Consistent evidence directs that there is a clear association between alcoholic price and patterns of drinking by underage drinkers, 18-24 year olds, binge-drinkers and harmful drinkers
- The heaviest drinkers are more likely to purchase cheaper forms of alcohol, in order to afford higher levels of consumption.

Minimum Price - vs. Other Pricing Restrictions

Rises in Duty

- Using taxation as a price lever has not been successful in the past, as some retailers have found ways of simply absorbing tax increases and not passing on the full rises in duty to customers - this couldn't happen with minimum price per unit
- Traditional pubs have lost custom for years - rises in duty would hit them hard whereas minimum price per unit would not
- Increased taxation would not apply greater costs to higher alcoholic content drinks therefore no real encouragement to purchase weaker drinks

Minimum Price - vs. Other Pricing Restrictions

Ban on Sale Below Duty/VAT

700mls bottle of Supermarket own Brand Vodka - 37.5% abv
Current price **£6.98** or **26p** per unit of alcohol



The duty plus minimum amount of VAT payable on this product comes to **£6.84**, meaning that this product retails 14p above the cost of duty/VAT payable

Impact of a ban on sale below duty/VAT

Under such a ban the price of this product **would not increase**

Impact of minimum pricing

If a minimum price is set at **50p** per unit of alcohol, then the price of this product increases to at least **£13.50**

Minimum Price - vs. Other Pricing Restrictions

Ban on Selling at Below Cost

- What does the term 'below cost' mean?
- 'Cost' is confidential, sensitive commercial information – how would this be disclosed to manage the process?
- Today the alcohol market is dominated by multinational companies which can produce large volumes of alcohol at extremely low cost
- Supermarkets are in a strong position, as major customers, to dictate what they pay for alcohol
- Would not apply greater costs to higher alcoholic content drinks therefore no real encouragement to purchase weaker drinks

Minimum Price – Is it Legal?

Two key Pieces of Legislation:-

- **EU Trade law** – this provides for a public health exemption which has been successfully used by the French Government to ban alcohol advertising – it has won a number of cases which were brought by the alcohol industry
- **UK Competition Act of 1998** - The Office of Fair Trading has ruled that minimum pricing imposed by a Government body is within competition law, as it is not engaging in economic activity.

Minimum Price - Support

- National Institute for Health and Clinical Excellence (NICE)
- the British Medical Association (BMA)
- the Royal College of Physicians
- the Association of Chief Police Officers (ACPO)
- the House of Commons Health Select Committee
- Campaign for Real Ale (CAMRA)
- North East Strategic Alcohol Board (NESAB)
- Chief Medical Officer (CMO)



Thanks for listening - any
questions?

