

The Future of Minimum Unit Pricing

February 2024

Summary

- The Scottish Government have announced their intention **to continue and increase the minimum unit price for alcohol** in a ministerial statement on 8 February.
- Minimum unit pricing for alcohol (MUP) was implemented in May 2018 at a rate of 50p per unit, to reduce alcohol-related harm. The policy is subject to a sunset clause, which means it will **expire unless renewed by the Scottish Parliament by end of April 2024**.
- MUP has **achieved its aims of reducing alcohol-related harm**, reducing alcohol-specific deaths by an estimated 13.4% and alcohol-related hospital admissions by an estimated 4.1%.
- However, the effect of 50p per unit has been **significantly eroded by inflation**. MUP must be increased to at least 65p per unit to made good on inflation and proactively react to the public health emergency.
- An **alcohol harm prevention levy** should be introduced to recoup some of the additional revenues from MUP that have gone into supermarkets' pockets.
- MUP alone is not enough. The **Scottish Government must implement the full package of measures** in its alcohol strategy and invest in evidence-based treatment and support for alcohol problems.

✓ MUP has reduced alcohol-related harm and health inequalities

MUP was introduced **in response to Scotland's high levels of alcohol consumption and related problems**. It aimed "to **reduce alcohol-related harm** by acting in two ways: to **reduce, in a targeted way**, the consumption of alcohol by consumers whose **consumption is hazardous or harmful**, and also to **reduce the overall population level of consumption of alcohol**."¹

- **MUP has reduced rates of deaths** from conditions that are only ever caused by alcohol (such as alcohol-related liver disease and alcohol dependence syndrome) **by an estimated 13.4%** in the 32 months following implementation, compared to what would have happened without MUP.² This is equivalent to an **estimated 156 deaths averted per year**.³
- **MUP has reduced hospital admissions rates** for conditions that are only ever caused by alcohol by an **estimated 4.1%** in the 32 months following implementation, compared to what would have happened without MUP.² This is equivalent to an **estimated 411 hospital admissions averted per year**.³
- In addition, MUP has **reduced deaths and hospital admissions rates due to alcohol from conditions where alcohol is not the sole cause (such as cancers and heart disease)**, averting an additional estimated 112 deaths and 488 hospital admissions per year.³

The positive effect on alcohol-related harm has also been observed in the **10% reduction in alcohol-specific deaths** in the first full year after MUP was implemented.^{4 5}

The **lives saved by MUP have predominantly been among the 40% of people living in the most deprived areas**, meaning that **the policy is reducing inequalities in alcohol harm**.² Alcohol harm is experienced very unequally. People in lower income groups are over four times more likely to die from alcohol⁶ and six times more likely to be hospitalised⁷ than people in higher income groups.

✓ MUP has mitigated the impact of the pandemic

The pandemic **changed our drinking habits**, leading higher-risk drinkers to drink even more.⁸ Combined with reduced access to services, **this has created a public health emergency**,⁹ with a **tragic 25% rise in alcohol-specific deaths in Scotland between 2019 and 2022**.⁶ However, these increases were **substantially lower than the rise experienced in England with no MUP** (22% rise in Scotland from 2019 to 2021, compared to 30% in England).¹⁰

"MUP has contributed to saving lives and slowing the increase in alcohol-specific death seen across the UK since the pandemic."

Dr Tara Shivaji
Consultant in Public Health Medicine
Public Health Scotland

✓ Lack of unintended consequences

There was no clear evidence of social harms from MUP at the population level.² For example, there was no widespread increased use of drugs due to MUP, no increases in crime rates (such as theft or violence), little indication of increased use of non-beverage or illicit alcohol, and minimal cross-border purchasing.²

Some drinkers, especially those with dependence, did experience exacerbated existing social harms (such as financial pressures), but this was not prevalent or typical.² **Alcohol dependence is a complex problem. Once established, people may need intensive, individual treatment and support to overcome it.** While some dependent drinkers did report reducing their consumption due to MUP,¹¹ the policy's greatest contribution to reducing alcohol dependence is by helping to **reduce the risk of others becoming dependent in future.**

Whilst recognising the limited impact of MUP on current dependent drinkers, **people in recovery from alcohol problems¹² have noted its importance in preventing people from developing dependency** in the first place. They have voiced their **strong support for raising the MUP, feeling that it should be set at higher than 65p.**

"To politicians I would say we're in the middle of a crisis with alcohol deaths. So we should not be thinking about doing away with minimum unit pricing. We should absolutely be increasing the level of minimum unit pricing."

Member of Borders in Recovery

Increase MUP to 65p

The Scottish Government **intends to increase the MUP to 65p per unit.** Following scrutiny by the Health, Social Care and Sport Committee, the Scottish Parliament will vote on the future of MUP before the end of April.

More than 30 other organisations including medical bodies and children's charities¹³ support the increase to 65p to make good on inflation and proactively respond to the public health emergency of alcohol harm.

The **effect of 50p per unit has been significantly eroded by inflation** since the policy was introduced in May 2018. Based on the Consumer Price Index (CPIH), 50p in May 2018 is equivalent to 61.1p in 2023.¹⁴ **Choosing to continue MUP without increasing the price would, in effect, be a choice to decrease the price in real terms, which will lead to increased alcohol consumption and harms.** Compared with an increase to 65p, it is estimated that **continuing at 50p would lead to around 800 more deaths, around 9,500 more hospital admissions, and £11.5 million in additional NHS hospital costs** in the first five years.⁸

There is **no sign of the public health emergency abating any time soon.** The COVID-19 pandemic changed our drinking patterns, with some heavier drinkers further increasing their drinking. Should these changes in consumption persist into the long term, it is estimated that over 20 years, Scotland will see **nearly 8,000 additional deaths and over 91,000 additional hospitalisations over 20 years, costing the NHS over £110 million in hospital costs alone.**⁸ We need to limit the effect of COVID-19 as much as possible.

AFS also recommends the introduction of an **automatic uprating mechanism to ensure MUP rises in line with inflation** to ensure it maintains these effects over time, as proposed by the NCD Alliance Scotland.¹⁵

Introduce an alcohol harm prevention levy to help fund local treatment

Retailers have likely **benefitted from MUP.** Sales data show an **overall increase in revenue for alcohol retailers,**² and estimates on the additional revenue generated for shops and supermarkets from MUP range **from £32m per year to £383m per year.**^{16 17} It is unclear how this impacts on profits, but what is clear is that producers themselves believe retailers are benefiting from increased profits.⁸

An alcohol harm prevention levy, **as supported by Scottish Labour,¹⁸ should be used to support local action on preventing alcohol harms and improving treatment and recovery support.** It would apply to retailers licensed to sell alcohol, via a supplement on non-domestic business rates, drawing on the **tried and tested model of the public health supplement which raised nearly £96m between 2012 and 2015.**

The Fraser of Allander Institute estimates that, if set at the same level as the latter years of the public health supplement (13p per pound of rateable value), **the levy would raise £57m a year.**¹⁹ This rises to around £70m per year if set at 16p/£1. It would **principally affect big supermarket chains, making up 86% of the revenues.**²⁰

MUP alone is not enough

MUP was never intended to tackle Scotland's unhealthy relationship with alcohol on its own. The Scottish Government's own alcohol strategy contains 20 actions to reduce alcohol consumption and harm in Scotland, though a number of these have yet to be fully implemented.

Along with more than 30 other organisations including medical bodies and children's charities,¹³ Alcohol Focus Scotland has **called for urgent action to effectively address the public health emergency of alcohol harm**. As well as increasing the minimum unit price, this involves **implementing a wider package of measures including other evidence-based, preventative policies** such as controlling the ready availability of alcohol and restricting how alcohol is marketed. These policies must be accompanied by **increased investment in the early identification of those at risk of harm, and improvements in person-centred treatment and recovery support** to ensure timely access for those who are already experiencing alcohol problems.

About Alcohol Focus Scotland

[Alcohol Focus Scotland \(AFS\)](#) is the national charity working to prevent and reduce alcohol harm. We want to see fewer people have their health damaged or lives cut short due to alcohol, fewer children and families suffering as a result of other people's drinking, and communities free from alcohol-related crime and violence.

For more information, contact Nicola Merrin, Policy and Research Manager at Nicola.Merrin@alcohol-focus-scotland.org.uk

References

¹ Scottish Government (2018). [Final Business and Regulatory Impact Assessment. Alcohol \(Minimum Pricing\) \(Scotland\) Act 2012. The Alcohol \(Minimum Price per Unit\) \(Scotland\) Order 2018.](#)

² Public Health Scotland (2023). [Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final report. A synthesis of the evidence.](#)

³ Wyper, G.M.A. et al. (2023). [Evaluating the impact of alcohol minimum unit pricing \(MUP\) on alcohol-attributable deaths and hospital admissions in Scotland.](#) Public Health Scotland.

⁴ National Records of Scotland (2020). *Alcohol-specific deaths (new National Statistics definition) registered in Scotland, 1979 to 2019.*

⁵ Public Health Scotland (2020). [Alcohol related hospital statistics.](#)

⁶ National Records of Scotland (2023). [Alcohol-specific deaths 2022.](#)

⁷ Public Health Scotland (2023). [Alcohol related hospital statistics Scotland, financial year 2021 to 2022](#)

⁸ Angus, C. et al. (2023). [New modelling of alcohol pricing policies, alcohol consumption and harm in Scotland: An adaptation of the Sheffield Tobacco and Alcohol Policy Model - Final Report.](#) University of Sheffield.

⁹ Scottish Government (2021). [Scottish Budget 2022 to 2023](#); Scottish Government (2021). [Scottish Budget 2022 to 2023: Chapter 4 Health & Social Care Portfolio.](#)

¹⁰ Office for National Statistics (2023). [Alcohol-specific deaths in the UK: registered in 2021.](#)

¹¹ Holmes, J. et al. (2022). [Evaluating the impact of Minimum Unit Pricing in Scotland on people who are drinking at harmful levels.](#) The University of Newcastle Australia, The University of Sheffield, and Figure 8 Consultancy Services.

¹² AFS held two sessions with Borders in Recovery, following an invitation from them to discuss MUP.

¹³ Alcohol Focus Scotland (19 April 2023). Doctors say lack of response on alcohol deaths could spell disaster for Scotland. *Alcohol Focus Scotland.* <https://www.alcohol-focus-scotland.org.uk/news/doctors-say-lack-of-response-on-alcohol-deaths-could-spell-disaster-for-scotland/>

¹⁴ Scottish Government (2023). [Interim Business and Regulatory Impact Assessment of Minimum Unit Pricing \(MUP\) Continuation and future pricing.](#)

¹⁵ NCD Alliance Scotland (2022). [Public Health Calls.](#) See pages 13-24.

¹⁶ Fraser of Allander Institute (2024). [Estimating revenues from a proposed levy on non-domestic rates for alcohol retailers in Scotland](#)

¹⁷ Griffith, R. et al. (2022). Price floors and externality correction. *The Economic Journal*, 132(646), 2273-2289.

¹⁸ PA Media (15 January 2024). Labour: Ministers should bring in alcohol sales levy for public health. *STV News.* <https://news.stv.tv/politics/ministers-should-bring-in-alcohol-sales-levy-for-public-health-says-scottish-labour>

¹⁹ Fraser of Allander Institute (2024). [Estimating revenues from a proposed levy on non-domestic rates for alcohol retailers in Scotland.](#)

²⁰ Fraser of Allander Institute (2024). [Estimating revenues from a proposed levy on non-domestic rates for alcohol retailers in Scotland.](#)