

# SHAAP

SCOTTISH HEALTH ACTION ON ALCOHOL PROBLEMS  
[www.shaap.org.uk](http://www.shaap.org.uk)

## **SHAAP statement on differential duty rates**

Scottish Health Action on Alcohol Problems (SHAAP) is a partnership of the Medical Royal Colleges in Scotland and the Faculty of Public Health and is based at the Royal College of Physicians of Edinburgh (RCPE). SHAAP provides the authoritative medical and clinical voice on the need to reduce the impact of alcohol-related harm on the health and wellbeing of people in Scotland and the evidence-based approaches to achieve this.

SHAAP supports the principle of differential duty rates for on and off trade retailers in the current market conditions in the UK.

Duty rates in the UK have been falling behind incomes and prices for many years and rates for all categories are at historically low levels. We call for a **long-term strategy of progressive duty increases in the off trade.**

**We do not support a reduction in current on trade duty rates.** We are not encouraging on trade drinking, particularly during the pandemic given the risk of intoxicated crowds gathering in an enclosed space.

The increase in alcohol specific deaths in Scotland from 384 in 1986 to 1417 in 2006 occurred as consumption fell in the on trade and rose in the off trade, driven by increased affordability (falling relative cost) of off trade alcohol at a time when on trade prices were stable or rising. We are pleased to see the substantial falls in alcohol mortality in Scotland over the past 15 years and will work to maintain this progress.

Our clinician members saw the impact of low cost, off trade alcohol on the health of patients. The targeted effect of Minimum Unit Pricing on these products, predominately drunk by the heaviest drinkers, was the reason SHAAP proposed MUP in 2006, supported its adoption and welcomed its introduction in 2018.

Fiscal interventions are an effective policy to reduce alcohol harm and the more these measures are targeted at the consumption of the heaviest drinkers, the greater the health gain will be.

Differential duty rates in the on and off trade sectors give Government a tool to better target fiscal interventions in order to reduce harm. In the current UK situation, this means duty changes which increase the cost of the cheapest off trade alcohol, which fits well alongside Minimum Unit Pricing.

We are pleased to continue to contribute to the UK Government duty review. We have called for a duty system that is:

- **Proportionate** to the harm caused by alcohol; the overall revenue from duty should reflect the levels of alcohol related harm.
- **Consistent** within strength bands; a 5% abv cider should pay the same duty as a 5% abv beer.
- **Scaled** to ensure that stronger drinks are taxed more heavily in view of their greater potential for harm and lower production costs.
- **Updated** routinely to maintain impact on alcohol harm and revenues.

A differential duty system offers the potential to better target duty changes in a way which is proportionate to the health harm coming from off trade alcohol.

It is essential to monitor the impact of any alcohol policy intervention and we have good systems throughout the UK to monitor health indicators, including health inequalities, a key issue in alcohol harm. Systems to monitor alcohol market trends are less well developed and any change in the duty system should be accompanied by the development of systems to monitor levels and patterns of sales across the whole alcohol market to inform decision-making.