

Autumn Budget 2024 Submission from Balance September 2024

Balance is the alcohol denormalisation programme based in the North East of England, launched in 2009 to deliver a comprehensive evidence based strategy designed to reduce the harms caused by alcohol use. Balance is collaboratively commissioned by local authorities across Northumberland, Tyne and Wear and County Durham.

At a national level, we welcome the re-establishment of the Alcohol Advisory Group which is an important forum to draw together key agencies and civil society centred on the mutual shared interest to reduce ever increasing alcohol harms.

We are a core member of the Alcohol Health Alliance, a group of non-governmental organisations that work together to promote effective policies to reduce the harm caused by alcohol.

We welcome the opportunity to submit a representation in advance of the Autumn Budget 2024. We strongly believe that the Government has a responsibility to fully utilise the alcohol duty system in the UK in order to better support public health and to address the avoidable costs to society of dealing with alcohol related harms.

Balance does not have any direct or indirect links to, or receive funding from, the alcohol industry or their affiliates. We recommend that in future consultations and calls for evidence or submissions relating to alcohol duty, respondents are required to declare and links to or funding from the alcohol industry of their affiliates, in order to ensure transparency during the process and avoid any actual or perceived conflicts of interest.

We have been disappointed with announcements made by the previous Government about alcohol duty freezes and cuts, despite almost a million alcohol-related hospital admissions a year and record levels of alcohol deaths, particularly in the North East. These have been missed opportunities for alcohol, setting back progress towards improving the health of the population. Such announcements have been in stark contrast to the announcements made on tobacco taxation which continues to significantly increase and is very much welcome, alongside other action on tobacco. In light of this, we wish to draw attention to the submission from our sister programme, Fresh, which focuses on making smoking history as, without action on alcohol, the mission to create a smokefree country will be more challenging.

Our recommendations to the Government for the 2024 Autumn Budget

We endorse the response of the Alcohol Health Alliance and are grateful to them for their support as we prepared this submission. We support the four recommendations that they have put forward to improve public health and raise revenue and believe they will help the Government to achieve its missions to rebuild Britain, most notably to kick-start economic

growth and to build an NHS that is fit for the future. We also believe that they will support the Government's priority of rebalancing the books given the strain that is currently placed on public services and the economy as a whole:

- 1. Reintroduce the alcohol duty escalator with immediate effect to ensure taxation keeps pace with inflation by automatically uprating duty by RPI+2% every year.
- 2. Ensure alcohol duty is targeted at products sold in shops and supermarkets which have become increasingly more affordable in recent years.
- 3. End cider and wine exceptionalism by increasing cider duty rates so they begin to equalise with that of beer of the same strength (ABV) and commit to ending the temporary wine easement in February 2025.
- 4. Commit to reviewing alcohol duty rates as part of a comprehensive national alcohol strategy to ensure health harming industries make a more meaningful contribution to reduce the societal cost of alcohol.

The impact of alcohol on society

The reasons for these recommendations are clear when the impact of alcohol on society is considered. Like tobacco, alcohol is toxic and places significant burdens on both the health and wealth of the population. Alcohol is a group one carcinogen, directly causing seven types of cancer. It is harmful and its impact affects all areas of society. Alcohol-related harms are at unprecedented levels and more people are dying in the North East of England from alcohol-related causes than ever before, with almost half of the North East population – nearly one million people – drinking above the low risk guidelines. Balance's campaign 'Alcohol is Toxic' aims to raise awareness of this fact among the North East population in the absence of any national mass media campaigns or any effective labelling regulations on alcohol products.

At a national level:

- Alcohol is the leading risk factor for death, ill-health, and disability amongst 15-49-yearolds in the UK.¹ It causes at least seven types of cancer and results in more working years of life lost than the ten most common cancers combined.²
 - 1 in 20 hospitalisations are primarily or secondarily linked to alcohol,³ and alcoholspecific deaths are at record-high levels. There were almost 980,000 estimated admissions where the primary reason for hospital admission or a secondary diagnosis was linked to alcohol. The highest rates are in the North East.
- Alcohol fuels crime and disorder and contributes to family breakdown, domestic violence, and puts significant pressure on our public services:

¹ VizHub - GBD Results. (2019). <u>Global Health Data Exchange</u>, Institute for Health Metrics and Evaluation, University of Washington.

² Schütze M. et al. (2011). Alcohol attributable burden of incidence of cancer in eight European countries based on results from prospective cohort study. British Medical Journal. Samaritans. (2022). Insights from experience: alcohol and suicide. Inan-Eroglu, E. (2021). Joint associations of adiposity and alcohol consumption with liver disease-related morbidity and mortality risk: findings from the UK Biobank. European Journal of Clinical Nutrition. Public Health England (2016). The public health burden of alcohol and the effectiveness and cost-effectiveness of alcohol control policies.

³ NHS Digital (2022). Statistics on Alcohol, England 2021

- In England and Wales, alcohol is thought to play a part in over 700,000 violent incidents a year – equating to over 2 in 5 of all violent crimes, with devastating consequence for victims, families and wider communities⁴
- 40% of secondary school-age children have been involved in some form of violence because of alcohol⁵
- In 2016/17 in England and Wales, over 12% of theft offences, over 20% of criminal damage and over 21% of hate crimes were alcohol-related.
- People in the least affluent quintile of local authorities are over five times more likely to die from an alcohol-specific death than those in the least deprived quintile and the poorest groups are five times more likely to end up in hospital due to alcohol than the most wealthy.

The costs of alcohol harm

<u>New research</u> by the Institute of Alcohol Studies (IAS) with Balance has found that alcohol harm is costing the North East nearly £1.5 billion a year. If the cost in terms of ill health, crime and disorder, social care and the economy was passed on, it would equate to £562 per head for every adult and child in the North East, compared to an average national figure of £485 in England.

This first major analysis of its kind in over 20 years has highlighted that there has been more than a 40% increase in the cost of harm from alcohol since it was last calculated in 2003. The £1.49 billion costs to the North East include:

- Over £290 million to the NHS and healthcare including hospital admissions, outpatient visits, A&E attendances, ambulance journeys, healthcare appointments and treating alcohol dependency
- Over £812 million in crime and disorder including alcohol related crimes, assaults, thefts and criminal damage
- Over £225 million cost to the economy including lost earnings, unemployment and absenteeism
- Over £158 million in social services costs to local authorities

Nationally alcohol is costing England nearly £27.4 billion a year including £4.9 billion to the NHS and healthcare – enough to pay for the salaries of almost half the nurses in England; £14.5 billion cost in crime and disorder, a £5 billion cost to the wider economy and £2.89 billion cost to social services.

The new data on the costs of alcohol harm was published on the same day (20th May 2024) as the Health and Social Care Select Committee heard evidence in the House of Commons from health experts about preventing alcohol harm including Alice Wiseman, Vice President of the Association of Directors of Public Health and Director of Public Health for Gateshead and Newcastle, Ailsa Rutter OBE, Director of Fresh and Balance and Sir Ian Gilmore of the Alcohol Health Alliance. We ask that the new Health and Social Care Select Committee looks again at alcohol harms as an urgent priority to build upon this evidence.

The importance of effective price-based policies in reducing harm

There is strong evidence to show that increasing the price of alcohol is one of the most effective, and cost effective, ways of reducing alcohol-related harm. Balance has worked with

⁴ Crime Survey for England and Wales

⁵ <u>https://alcoholchange.org.uk/alcohol-facts/fact-sheets/alcohol-crime-and-disorder</u>

partners in the Alcohol Health Alliance to develop a position in relation to alcohol duty and we have detailed this previously in submissions to the Government. In short, we believe that our alcohol duty system needs to be proportionate, scaled, consistent and – like tobacco tax policy – regularly uprated.

We are particularly concerned about the availability of cheap, high-strength alcohol sold predominantly in the off-trade, rather than the on-trade. Previous cuts to alcohol duty have made off-sales alcohol cheaper over the course of several decades; however, the on-trade has not seen any benefits. The period of the alcohol duty escalator was in fact one of the few times since the late 1980s where the gap between the affordability of on-trade and off-trade alcohol did not substantially widen.⁶ Increasing alcohol duty can therefore help to create a more level playing field between the on- and off-trade. With this in mind, we ask the Government to take action to address the gap in affordability between the on- and the off-trade in favour of reducing the availability of cheap supermarket alcohol.

From a crime and disorder point of view, a report from the Institute of Alcohol Studies starkly illustrates the disproportionate impact that consumption of alcohol from the off-trade has on violence⁷. During the period of on-trade closures due to Covid restrictions, the study found that the proportion of alcohol-related violence fell by only 2.7 percentage points – a smaller fall than was expected – and there was no significant change in alcohol-related domestic violence. This shows the significance of off-trade availability of alcohol as a driver of violence and reinforces the need for a distinct focus on off-licensed premises and their contribution to violence, particularly domestic violence.

As well as duty, other evidence-based price policy levers exist to reduce the affordability of alcohol and improve health. Evidence shows that since minimum unit pricing was introduced in Scotland in 2018 alcohol specific deaths fell by 13% and hospitalisations fell by 4%. And we welcomed the recent decision by the Scottish Parliament to uprate the level of MUP from 50p to 65p, demonstrating recognition that price policy needs to keep pace with inflation.

Our Blueprint for national action to reduce alcohol harm

This year Balance has published its Blueprint for national action to reduce alcohol harm, a series of recommendations for the Government to consider in order to address this key public health emergency. The recommendations are as follows and are in alignment with the four taxation recommendations outlined above, in particular number 3 which is centred on pricing policies:

- 1. Commit to the introduction of an evidence-based national alcohol strategy, free from alcohol industry influence
- 2. Take steps to raise awareness of alcohol harms, via:
 - a. the delivery of public education campaigns such as Balance's 'Alcohol is Toxic' campaign
 - b. the introduction of mandatory health warnings and nutritional / unit information on alcohol labels

⁶ The Institute of Alcohol Studies (2020). March Budget analysis.

⁷ Off-trade alcohol availability and violence: assessing the impact of on-trade outlet closures - Institute of Alcohol Studies (ias.org.uk)

- 3. The introduction of pricing policies which improve public health and protect the public purse, including:
 - a. A minimum price for alcohol across the whole UK
 - b. A fairer alcohol duty system which at least keeps pace with inflation
- 4. The introduction of restrictions on alcohol marketing to protect children and vulnerable people
- 5. The introduction of a 'public health objective' in England and Wales and consideration of a wider overhaul of the Licensing Act
- 6. Invest in prevention and early intervention and improving access to specialist support for at-risk drinkers
- 7. Ensure that the alcohol industry is prohibited from involvement in the development of public policy
- 8. Lower the legal blood alcohol content limit for driving to 20mg/100ml (0.02%) for new and commercial drivers, and 50mg/100ml (0.05%) for all other drivers, with the ambition to reach 20mg/100ml for all drivers as soon as possible

To further highlight in particular recommendation number 2, we recommend that the Government, as a minimum, runs some level of awareness raising campaigns, such as our Alcohol is Toxic campaign, in order to improve public understanding of the harms of alcohol. Nationally, the Department of Health and Social Care has recently used the Fresh 'Smoking Survivors' campaign to raise awareness of the harms of smoking and to support quitting and we support a similar approach to be taken for alcohol. We would be very happy to discuss this further.

The public supports tougher action on alcohol

There is a good level of public support for the Government to do more to reduce alcohol harm. Over 80% think that alcohol is a big problem for both this region and the country as a whole. 45% of people say the Government is not doing enough to limit alcohol harm with only 5% thinking it is doing too much – 17% of people don't know. 48% support minimum unit pricing and 59% would support the Government in bringing in new regulations to reduce alcohol harm.⁸

As the English region which suffers from the greatest alcohol harms, the North East would benefit the most from the introduction of evidence-based pricing policies. Working together, the policies outlined above would further reduce alcohol affordability and bring about significant health, societal and economic benefits including saving lives, preventing hospital admissions, saving NHS costs, preventing crime and reducing costs to the economy through reducing workplace absences. It is imperative that we maximise potential gains from alcohol duty – especially when we have evidence to demonstrate that there would be significant public health benefits too – and that this is incorporated into a national strategy informed by a review of the

⁸ 2024 Balance Public Perceptions data

evidence on alcohol harms. The UK government can save lives, raise revenue and reduce alcohol harm in a cost-effective way by introducing prevention policies such as minimum unit pricing and a fairer tax system which will improve both public health and the economy as a whole.

If you would like any further information, please contact the Balance programme on info@fresh-balance.co.uk.