

Alcohol: Minimum Unit Pricing (MUP): Continuation and Future Pricing

Scottish Government Feedback

February 2024

Ministerial Foreword



I am pleased that today the Scottish Government is publishing the analysis of our 'Alcohol – minimum unit pricing – continuation and future pricing: consultation' that ran from September 2023 to November 2023, as well as the Government's official response to issues raised in the consultation. The consultation, and previous stakeholder engagement, has provided valuable insights.

I made a statement to Parliament today that the Scottish Government will lay legislation on 19 February that seeks the approval of Parliament to continue Minimum Unit Pricing and to increase the price per unit to 65ppu. The increase in life expectancy in Scotland has stalled and modelling by Public Health Scotland suggests the burden of disease in Scotland will increase over the next 20 years. The Scottish Government must continue to take bold action to tackle this issue and to ensure that people in Scotland are more likely to live long and healthy lives.

MUP is a part of the Scottish Government's approach to preventing ill health caused by non-communicable diseases – conditions caused by factors such as smoking, alcohol consumption and diet. I recognise the significant role that alcohol-related harm plays across the population including, amongst other factors, in causing ill health.

I would like to express my gratitude to all the individuals and organisations who took the time to contribute their thoughts and opinions. As the consultation analysis shows, the responses set out a range of views held on MUP. This feedback has been helpful in supporting both considerations around MUP's next steps and the implementation of them. I also note public attitudes work published in late 2023, weighted to be representative of the wider public, that suggested views across the public as a whole were more nuanced.¹

Whilst there was a divergence of views on the best next steps for MUP, it is clear there was consensus that we must take action generally to reduce the harms caused by alcohol. The attached response sets out the Scottish Government's response to the key feedback received from the public consultation.

On balancing the views received, and the evidence collated to date it is this Government's intention that MUP should continue as a policy and at a price of 65p per unit. I believe this will contribute to reducing the health harms caused by alcohol in Scotland.

¹ [Alcohol - minimum unit pricing: public attitudes research - Scottish Government](#)

Thank you, once again, to everyone who engaged with the consultation last year.

Sincerely,

A handwritten signature in black ink that reads "Shona Robison" followed by a horizontal line.

Shona Robison MSP
Deputy First Minister and Cabinet Secretary for Finance

Public Consultation

Introduction

Minimum Unit Pricing (MUP) sets a price per unit below which alcohol cannot be sold in Scotland. It was introduced in 2018 and the minimum price of alcohol was set at 50 pence per unit (ppu). The legislation that introduced MUP included a sunset clause that means the provisions which provide for a minimum unit price will expire at the end of 30 April 2024 if they are not continued by legislation. A public consultation was held in late 2023 to seek views on Scottish Ministers' proposals to:

- continue MUP beyond 30 April 2024; and
- set the price at 65ppu.

The public consultation [Alcohol: Minimum Unit Pricing \(MUP\): Continuation and Future Pricing](#) was carried out from 20 September 2023 to 22 November 2023. A total of 545 responses were received and analysed.

The number of responses received from **individuals** was 432– this represents 79% of the total number received. The number of responses received from **organisations** was 113, representing 21% of the total number received. Of the total number of organisations that responded, 39% were from health organisations (both public and third sector). Responses from alcohol industry bodies, producers and retailers represented 19% of the total number responding from organisations, and 4% were from Local Government bodies.

Among all respondents, 39% supported MUP continuing, 59% were opposed and 2% did not answer. There were, however, significant differences between individuals and organisations. Just over one quarter (27%) of individuals supported MUP continuing, compared to almost nine in ten (88%) of organisations.

All public sector health organisations, international organisations, non-health third sector organisations, academic institutions and local government bodies responding to the consultation agreed MUP should continue. A clear majority of most other organisations were also supportive, with only a small number opposed. However, 83% of alcohol industry representative bodies and 60% of producers were opposed.

One third of respondents (32%) agreed with the proposed minimum unit price of 65 pence. Two thirds (66%) disagreed and 2% did not answer. Individuals and organisations held almost exactly opposing views. While 79% of individuals disagreed and 19% agreed, among organisations 79% agreed and 17% disagreed.

While the majority of respondents from most types of organisation supported the proposal, levels of support were slightly lower than those for continuing MUP. Levels

of opposition were highest among alcohol industry representative bodies (83%), producers (80%) and retailers (50%).

The Scottish Government recognises that, as the independent analysis sets out: “Public consultations invite everyone to express their views; individuals and organisations interested in the topic are more likely to respond than those without a direct or known interest. This self-selection means the views of respondents do not necessarily represent the views of the entire population.”

This public consultation was not the only means through which the Scottish Government sought the views of stakeholders and members of the public. For example, published public attitudes research in September 2023² found overall people were more likely to be in favour of MUP (43%) than against (38%). This public attitudes research was carried out by Ipsos MORI through an omnibus survey, which asked a nationally representative sample of 1,029 adults across Scotland whether they were in favour of or against MUP.

Listed below are the categories of the 5 most prevalent themes that emerged from the consultation at a total sample level, from most to least commonly mentioned, regardless of whether the theme is positive or negative. This is to provide an understanding of the overall prevalence of themes that were observed across the total sample.

- An additional financial burden created either by MUP or by a price increase / that it is unfair to moderate drinkers
- MUP will not deter people with alcohol dependence
- Feedback on the evidence base – comments both agreeing and disagreeing that the evidence base suggest MUP has been effective
- The need for more targeted action and support/ Support for a wide range of alcohol harm prevention measures, in some cases including MUP
- Rationale for choosing 65ppu
- General comments that about the operation of MUP

The [full consultation analysis report](#) is available on the Scottish Government’s website, and all of the consultation responses for which respondents have given permission to be published, can be found online.

² [Alcohol - minimum unit pricing: public attitudes research - Scottish Government](#)

Response to feedback raised in public consultation

An additional financial burden created either by MUP or by a price increase / that it is unfair to moderate drinkers

Some individual respondents set out their view that continuing MUP and, in particular, an increase in the minimum price of alcohol would have a negative effect on low income households, or that the policy impacted on moderate drinkers (people who consume within the Chief Medical Officer guidelines of 14 units of alcohol a week).

A small number of respondents set out that MUP has not penalised moderate drinkers, stating their view that MUP has had little or no impact on the pricing of the alcohol products consumed by most moderate drinkers.

Increasing the unit price will have differing effects on people with different levels of consumption and whilst it is recognised that the wider cost of living crisis is having an impact on many households, and particularly those on low incomes, people consuming smaller quantities of alcohol will see a much smaller increase in spend than people purchasing higher quantities of alcohol. Whilst it is recognised the increase to 65ppu will see an increase in the cost of purchasing products currently priced under this, the increased costs will be greater for people consuming higher quantities of alcohol than for those with lower levels of consumption.

Evidence suggests that people in lower income groups who consume high levels of alcohol experience greater negative health effects than people in higher income groups with equivalent levels of consumption.³ The policy is therefore anticipated to have a broadly positive effect on health inequalities, in particular supporting Scottish Government action to address health inequalities.

The Scottish Government recognises the effect that the cost of living crisis is having on many people in Scotland. £3bn has been allocated to support policies which tackle poverty and protect people, as far as possible, from the ongoing impacts of this crisis.

MUP will not deter people with alcohol dependence

Another common theme across responses from individuals, and some organisations, was that increasing the minimum unit price would not reduce the amount of alcohol consumed by people with alcohol dependency. Closely linked to this, and another

³ [Associations Between Socioeconomic Factors and Alcohol Outcomes - PMC](#)

commonly raised theme, was the need for more targeted support for people with alcohol dependence.

There is limited evidence that MUP had a positive impact on people with alcohol dependency, and there is some evidence that it had a negative impact on some people who were alcohol dependent. The Scottish Government is aware that people with alcohol dependency are likely to require specialist treatment services to support them to reduce their alcohol consumption. Whilst people with alcohol dependency are within the hazardous and harmful category of drinkers, MUP was not designed to target them specifically.

The Scottish Government considered the evidence and the views provided in response to the consultation related to the affects on people with an alcohol dependency as part of reaching the decision, and continues to consider how it can provide support to people who are dependent on alcohol.

Feedback on the evidence base – comments both agreeing and disagreeing that the evidence base suggest MUP has been effective

Some respondents felt the available evidence showed that MUP has been effective. All these respondents, around three quarters of whom were organisations, felt the policy should continue, with the majority supporting an uplift in price.

Some respondents set out their view on the limitations of the evidence, including the PHS evaluation, on assessing the impact of MUP. Summarised these included:

- The validity of the methods used in the evaluation, including the theory-based approach to the evaluation and the modelling methods used in some of the individual studies;
- the fact that, of the 8 underlying studies in the evaluation which considered health harms, only 1 (on hospitalisation and deaths) indicated positive outcomes and is heavily relied on;
- the impact of the Covid-19 pandemic on the data collection around MUP and the findings of the evaluation;

PHS's evaluation of MUP took a theory-based approach. The HM Treasury Magenta Book⁴ Central Government guidance on conducting evaluations and Medical Research Council guidance⁵ both highlight theory-based approaches as particularly suited for the evaluation of complex interventions or simple interventions in complex environments. In this case, MUP is a simple intervention in a complex environment and a theory-based approach allowed consideration of the numerous potential

⁴ [The Magenta Book - HM Treasury](#)

⁵ [A new framework for developing and evaluating complex interventions: Update of Medical Research Council guidance - BMJ - 2021](#)

impacts and the range of external factors which could interact with the policy and/or influence delivery and outcomes.

Other approaches, such as a more traditional experimental evaluation, would not have been feasible as there was no way of controlling exposure to the policy which would be required for this type of methodology. Theory-based evaluations can use a range of methods, and the evaluation of MUP used quantitative methods to measure change and qualitative methods to provide more understanding and insight. The evaluation also used a natural experiment design, where it was able, to compare Scotland to an area (usually England) where MUP was not in place.

This evaluation methodology and practice has been supported by a range of internationally renowned medical and public health experts as demonstrated by their letter to the Lancet⁶, a world leading peer-reviewed medical journal, praising the appropriateness and robustness of the approach taken by PHS to evaluate MUP.

The evaluation concluded that the policy had a positive impact on health outcomes. Some stakeholders have raised concerns with this conclusion and highlighted that the final evaluation report draws upon eight studies which looked at health harms, but only one of these demonstrated positive outcomes.

This outcomes in this study were however key to most robustly demonstrating an impact of the policy. It measured alcohol-related deaths and hospitalisations, which are directly influenced by alcohol consumption and did show positive outcomes. The other studies considered other health harms or looked at specific populations, to provide a more complete picture of the evidence and to provide reassurance that MUP was not causing negative or unintended impacts. The other measures are less directly connected to the plausible chain of events and might be influenced by other factors such as recording practices, demand on services and decision to present at services, and as such provide more indirect evidence.

The evidence on compliance with MUP and reductions in alcohol consumption from the wider evaluation, demonstrated that the expected chain of outcomes followed the implementation of MUP, which increased confidence that MUP contributed to the relative reductions in alcohol-related deaths and hospitalisations. The evaluation also considered a range of alternative explanations for these outcomes and concluded most of these were unlikely. This finding is also consistent with previous evidence that increasing the cost of alcohol reduces harm.

Some respondents expressed a view that the the impact of Covid could have affected data collection around MUP, as well as potentially affecting the outcomes of interest.

⁶ [Commending Public Health Scotland's evaluation of minimum unit pricing - The Lancet](#)

PHS accounted for the impact of COVID within the evaluation with only a small number of studies including data collection during the COVID-19 period, and most using a geographical control which helped to account for COVID-19 restrictions. Importantly, there were very similar results achieved in the deaths and hospitalisations study when the post-intervention period was restricted to pre-pandemic only i.e. ended the study period in Feb 2020.

The PHS evaluation also considered COVID as a factor which may have impacted on the outcomes of interest and concluded that COVID was unlikely to be an important explanation. However, understanding of COVID-19 continues to grow and therefore cannot be fully ruled out as having had some contribution to the increase in alcohol related deaths.

It is clear that Covid-19 has had an impact on alcohol consumption trends and likely that this is translating across into increased health harms. The University of Sheffield analysis⁷ estimated that alcohol-related harms are likely to increase as a result of the pandemic, and this pattern may be sustained if increases in consumption among harmful and hazardous drinkers persist over time. The analysis suggests that it is likely had MUP not been in place health harms would have been even greater.

Whilst deaths increased after implementation of MUP, the PHS evaluation concluded that alcohol specific deaths were lower than would have been seen if MUP was not in effect. There are a range of factors that drive alcohol specific deaths, in addition to those at a population level that drive levels of alcohol consumption, in addition to the effects of the Covid-19 pandemic which saw a change in levels of alcohol consumption both in groups that drink little to moderate amounts and groups that drink higher amounts.

Alcohol specific deaths increasing overall is not itself a key indicator of the efficacy of MUP and the evidence supports that, for the study period considered by the PHS evaluation it is likely that deaths would have been higher if MUP was not in effect.

On reaching a conclusion, Ministers have considered the available evidence including the limitations of available evidence base and concluded that on balance the evidence suggests that MUP has been an effective policy intervention that achieved its aims.

The need for more targeted action and support/ Support for a wide range of alcohol harm prevention measures, in some cases including MUP

As part of tackling alcohol harm in Scotland, in 2022/2023 the Scottish Government provided £106 million, which increased to £112 million in 2023/24 as part of the national mission on tackling drug-related deaths is being provided to Alcohol and

⁷ [New modelling of alcohol pricing policies, alcohol consumption and harm in Scotland - University of Sheffield](#)

Drug Partnerships across Scotland to support people facing problems because of both alcohol and drug use.

The Scottish Government will ensure it writes to all Alcohol and Drug Partnerships (ADPs) in advance of an increase in price taking effect so that services are prepared for any increase in engagement with their services from people with an alcohol dependency who are affected by the increase in price to 65ppu.

Rationale for choosing 65ppu

Some respondents expressed a view that the proposed price of 65 pence per unit (ppu) was correct, or stated that it should be 'at least' 65ppu. Over two thirds of respondents who expressed this view were organisations, including coordinated responses from public health organisations and members of the European Alcohol Policy Alliance. Some respondents expressed a view that they supported the proposed increase mainly because inflation had eroded the benefits of MUP.

Some respondents expressed a view that they did not agree with the 65ppu price proposed because it was too high, or they expressed a view that they did not agree with either the rationale or method for arriving at that price.

Summarised reasons for opposing the increase to 65 ppu included:

- The current price of 50 pence per unit is already sufficient, or too high.
- A 30% increase was considered too large or would disproportionately affect those who could least afford an increase.
- The evidence was insufficient to justify the increased rate.
- Inflation had already increased the cost of alcohol and eroded people's income.
- That a high inflation rate and the higher consumption levels resulting from the pandemic are temporary factors.

The Scottish Government commissioned the [University of Sheffield Alcohol Research Group\(SARG\)](#) to undertake modelling to inform the review of the level of MUP. The principal advantage of a preferred price of 65ppu is it is estimated to achieve the health benefits intended by the policy including mortality and hospitalisations averted and a reduction in years of life lost, at an increased level compared to when first introduced in 2018.

65ppu will impact on a greater share of the market than when MUP was introduced, with an estimated 64% of the off-trade market by volume sold below this average price level in 2022. This impact, however, must be considered within the context of

rising alcohol harms as latest alcohol-specific deaths show there has been an increase of 2% in 2022.

On balance, the Scottish Ministers are agreed that 65ppu strikes the appropriate balance of achieving increased health benefits, as part of a range of overall prevention and treatment policies, while minimising unnecessary interference in the market.

A small number felt the proposed increase to 65ppu was too low and argued for this to be increased. Suggested figures were 70ppu, 75ppu and 80ppu. The primary reason for supporting a higher level was to ensure the policy maximised its impact.

Some respondents expressed a view that there potential negative business or economic impacts of the proposals to increase the price to 65ppu. These were expressed by both individuals and organisations and those in favour of and against continuing MUP. Concerns included, the impact on hospitality, smaller retailers, smaller brewers and distilleries, and tourism, suggesting there could be job losses in those sectors.

The [Scottish Government Report](#), which was published 20th September 2023 considered evidence on the operation and effect of MUP over the five years between its implementation in May 2018 up to end April 2023. It draws from the evaluation of the policy led by Public Health Scotland and from the findings of a call for evidence which included Ministerial roundtable events, and engagement with relevant stakeholders and expert groups including public health and business sectors. It found no clear evidence overall of substantial negative impacts on the alcoholic drinks industry as a whole in Scotland, although the evidence was more mixed around the impacts to specific types of business.

The evidence shows a decline in alcohol consumption following MUP was driven particularly by reduction in the sale of alcoholic drinks in the categories most affected by MUP price increases. The products that experienced the largest price increase, namely cider, perry and own-brand spirits, had the largest fall in sales. Large retailers did not report any change in revenue or profits due to MUP, but convenience stores were more likely to have noted a decrease in revenue and profits, particularly if they previously relied on high-strength; low-cost alcohol products.

Some respondents, primarily health-related organisations stated that initial concerns about potential negative impacts and unintended consequences of introducing MUP have not come to pass.

Details on all the factors, evidence and analysis considered in reaching proposals that were set out and consulted on were informed by the [interim Business and Regulatory Impact Assessment](#)., the full BRIA has been updated to reflect

information received from the consultation and any other relevant evidence will be published in due course.

General comments about the operation of MUP

Change to wording of legislation to address rounding issue

Some respondents from the retail sector expressed a view that there was an issue with the way retailers calculate the minimum unit price in order to comply with the minimum unit pricing provisions introduced by the Alcohol (Minimum Pricing) (Scotland) Act 2012.

The view expressed was that due to linear pricing rules which require a multi-pack to of alcohol to be sold at the same price as multiples of the single items it contains, there was an anomaly created by how retailers are required to round up fractions of a pence. The view related to the interaction between MUP and linear pricing rules, that created a difference in how multipacks were rounded up to the nearest pence compared to single item products.

A change to the way the minimum unit price is calculated is not something which could be achieved through secondary legislation using the powers in the 2012 Act. However, the Scottish Government has considered this in making this decision and will keep this under review and undertake further engagement with retailers as part of the ongoing consideration of the effectiveness of the policy.

Implementation Period

As part of the public consultation, businesses highlighted that if there were to be a change in price, there should be sufficient communication to raise public awareness, and also appropriate timescales for the sector to implement the change without incurring unnecessary costs. This aligns with views provided by retail sector representatives in the Scottish Government's engagement with the sector.

Having considered views on this issue, Scottish Ministers propose that an implementation window is introduced and the proposed price increase does not take effect until 30 September 2024. This will ensure that businesses have a sufficient lead in time to update systems and prepare for the new price.

The proposal aligns with advice from the Scottish Government's Regulatory Review Group (RRG), an advisory board containing business representatives that support effective policy implementation in relation to considering and understanding potential business impacts. The Scottish Government will engage with relevant retail groups, Alcohol and Drug Partnerships and engage in other public awareness activities to

ensure an understanding and awareness of the price increase and implementation date.

Need for ongoing review of MUP Policy

Some respondents expressed a view that there should be a further review period for MUP. The sunset clause that sees MUP expire unless Parliament agrees to extend it by 30 April 2024 was put in place to recognise that as a relatively novel policy intervention there was a need to review its efficacy after a period of operation and to review whether it was effective in delivering its aims.

Scottish Ministers were under a duty to publish a report on their assessment of the effectiveness of MUP after 5 years of operation but before the end of 6 years. This report was laid before Parliament on 20th September 2023 and concluded that MUP had broadly met its policy aims in supporting a reduction in alcohol specific deaths compared to the control period, reduced population consumption of alcohol by 3% compared to the control area of England and generally delivered public health benefits effectively in line with the Scottish Government's intent.

MUP will be kept under review, in line with Scottish Government practice on all areas of policy delivery. If Parliament agrees to legislation implementing 65ppu this will also be kept under review.

Overall Conclusion

Alcohol related harm continues to be one of the key public health challenges in Scotland. Modelling suggests that Scotland faces a growing burden of disease over the next 20 years, and the Scottish Government is determined to try to prevent, and to minimise, the effects of ill health on people in Scotland.

Scottish Ministers recognise that MUP aims to reduce both the consumption of alcohol at population level and, in particular, among those who drink at hazardous and harmful levels. MUP is not intended as a standalone intervention to address the specific clinical needs of those with alcohol dependence; specialist treatment and care services are critical for this group.

It is the Scottish Government's view that MUP continues to be an effective way to reduce alcohol related harm. Whilst acknowledging that the majority of those that responded to the consultation did not share this view, there was high levels of support from public sector health organisations, international organisations, non-health third sector organisations, academic institutions and local government bodies.

As mentioned public consultation respondents are self-selecting and consultation responses are not necessarily representative of the views of the wider population. In

September 2023 the Scottish Government published [public attitudes research 2023](#) the findings of which were weighted to ensure an appropriate demographic spread, found that overall people were more likely to be in favour of MUP (43%) than against it (38%). Almost a fifth of respondents (18%) were neutral and a small number did not know (1%).

In reaching its decision, Scottish Ministers considered a broad range of evidence, as well as limitations in evidence, in reaching their decision. They reached the view that MUP is effective to achieving their policy aim of reducing alcohol related harm in Scotland. The final Business and Regulatory Impact Assessment that will be published alongside legislation giving effect to Ministers' decisions sets out the record of the assessment, but having considered the potential impacts of both continuing the policy and increasing the price to 65ppu, the Scottish Government has reached the position of continuing MUP and increasing the unit price to 65ppu.

The Scottish Government considered the views of respondents in relation to both continuation and price in reaching this decision. It is clear that a careful balance must be struck to balance potential impacts with potential effects, to deliver public health aims whilst minimising the effects on industry in achieving that.

The Scottish Government concluded that 65ppu provides a proportionate response to tackling alcohol misuse, as it strikes a reasonable balance between improving public health and intervention in the market.



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