Island Communities Impact Assessment

Minimum Unit Pricing of Alcohol – Continuation and Future Pricing

Step One –Understanding Objectives:

The policy aim of MUP is to reduce health harms caused by alcohol consumption by setting a floor price below which alcohol cannot be sold. In particular, it targets a reduction in consumption of alcohol that is considered cheap, relative to its strength. It aims to reduce both the consumption of alcohol at population level and, in particular, among those who drink at hazardous¹ and harmful² levels. In doing so, it aims to reduce alcohol related health harms among hazardous and harmful drinkers, and contribute to reducing harm at a whole population level.

People who drink at hazardous and harmful levels in lower socio-economic groups suffer greater harms than those who drink at these levels in higher socio-economic groups due to the impact of multiple drivers of health inequality. MUP is also intended to address alcohol related health inequalities by reducing consumption, and therefore harm, among hazardous and harmful drinkers as a whole, having a positive effect on health inequalities given the greater harms people in lower socio-economic groups experience in relation to alcohol.

The policy was implemented on 1 May 2018 at a level of 50 pence per unit (ppu) of alcohol³. The legislation, the Alcohol (Minimum Pricing) (Scotland) Act 2012⁴, contains a 'sunset clause' which means further legislation is required to continue the policy, as well as setting the level going forward.

A public consultation was held in late 2023 on the proposal to continue the effect of MUP, and amend the level of MUP, the consultation analysis was published 8th February 2024.⁵

The Scottish Government set out, in a statement to Parliament on 8 February given by the Deputy First Minister, that it would lay secondary legislation seeking the agreement of Parliament to continue Minimum Unit Pricing and to set the price at 65 pence per unit, to take effect from 30 September 2024.

The Islands (Scotland) Act 2018⁶ defines an island community as a community which consists of two or more individuals, all of whom permanently inhabit an island (whether or not the same island), and is based on common interest, identity or

¹ Hazardous drinking is defined as a pattern of alcohol consumption which increases an individual's risk of harm. This is generally indicated by alcohol consumption at a level of more than 14 units a week, but fewer than 35 units for women. For women, it is considered to be alcohol consumption at a level of more than 14 but less than 50 units a week.

² Harmful drinking is defined as a pattern of alcohol consumption that is causing mental and/or physical harm to health. This is generally indicated by alcohol consumption at a level of 35 or more units per week for women, and 50 or more units per week for men.

³ The Alcohol (Minimum Price per Unit) (Scotland) Order 2018 (legislation.gov.uk)

⁴ Alcohol (Minimum Pricing) (Scotland) Act 2012 (legislation.gov.uk)

⁵ MUP Continuation and Future Pricing Consultation Analysis Report

⁶ Islands (Scotland) Act 2018 (legislation.gov.uk)

geography (including in relation to any uninhabited islands whose natural or cultural environment and terrestrial, marine and associated ecosystems and history contribute to the natural or cultural heritage or economy of an inhabited island).

The intended outcome of MUP is to reduce alcohol-related harms at a population level and to target hazardous and harmful drinkers who disproportionately suffer the greatest alcohol-related harms. This assessment considers whether there is a significant differential effect on island communities of the decision to continue MUP and to increase the price to 65ppu, compared to the effects on mainland communities.

Step Two – Data Gathering:

Whilst there is no specific study relating to the effects of MUP to date within island communities, there is some evidence island communities tend to have slightly lower levels of hazardous and harmful drinking as well as lower mean units of weekly alcohol consumption compared to Scotland as a whole⁷. The effects of the policy, however, are not expected to be significantly different than on mainland communities.

The Scottish Government is aware that for some of the islands there is a higher than population average proportion of employment within the alcohol industry. The PHS evaluation into MUP found no evidence of a significant positive or negative effect on the alcohol industry. The full details of our assessment on the impacts of the continuation and the price increase to 65ppu are set out in the BRIA⁸.

To support deliberation on the future of MUP, The Scottish Government commissioned Public Health Scotland to undertake an extensive evaluation of the policy, the conclusions of which were published in 2023. The evaluation found no evidence that MUP has had an effect on the island communities in a way that is significantly different from its effect on the mainland.

Step Three – Consultation:

A full public consultation was undertaken between September and November 2023, in addition to specific engagement with a wide range of stakeholders in 2022 and 2023. In considering appropriate engagement, the Scottish Islands Federation (SIF) and the Islands Alcohol and Drug Partnerships (ADPs) were assessed as appropriate organisations to consult on the specific interests of island communities, in relation to the review of MUP.

⁷ Scottish Health Survey, local area level data

⁸ Alcohol - minimum unit pricing - continuation and future pricing: interim business and regulatory impact assessment - gov.scot (www.gov.scot)

Roundtable engagement session were held with stakeholders with the SIF and Islands ADPs invited to provide their views on MUP. Following discussion with organisations representing the island communities, and the evidence base on the effects of MUP more broadly, the Scottish Government do not consider the continuation or increasing the price to 65ppu as likely to have any significant negative impacts for island communities that were significantly different to communities on the mainland.

Public attitudes research commissioned by the Scottish Government in 2023 showed that 44% of people in the Highlands and Islands were in favour of, with 38% against MUP. The proportion of people in favour of MUP in Highlands and Islands was slightly higher than the average for Scotland (43%). ⁹

Step Four – Assessment:

The islands tend to have slightly lower levels of hazardous and harmful drinking as well as lower mean units of weekly alcohol consumption compared to Scotland as a whole, but there is nothing to suggest the intended outcomes of MUP differ in the islands, therefore no unique impacts on islands communities have been identified and no potential barriers or wider impacts have been identified.

Following the implementation of MUP in 2018, Public Health Scotland led a wideranging, comprehensive, five-year evaluation of MUP¹⁰. A final report on the evaluation of MUP¹¹ was published on 27 June 2023 and found that:

"Overall, the evidence supports that MUP has had a positive impact on health outcomes, namely a reduction in alcohol-attributable deaths and hospital admissions, particularly in men and those living in the most deprived areas, and therefore contributes to addressing alcohol-related health inequalities. There was no clear evidence of substantial negative impacts on the alcoholic drinks industry, or of social harms at the population level."

No evidence was found during the five-year evaluation to show the implementation of MUP at 50ppu has had an effect on the island communities in a way that is significantly different from its effect on the mainland. The Scottish Government has concluded that the increased price of 65ppu strikes the appropriate balance between achieving the public health aims of Ministers and minimising the potential effects on business, industry and consumers.

⁹ Alcohol - minimum unit pricing: public attitudes research - Scottish Government

¹⁰ Evaluation of minimum unit pricing (MUP) - Alcohol - Health topics - Public Health Scotland

¹¹ Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final report (publichealthscotland.scot)