



Royal College
of Nursing

The voice of nursing in the UK

Royal College of Nursing

20 Cavendish Square

London

W1G 0RN

Helen Donovan

Professional Lead public Health Nursing

Telephone: 020 7647 3763

Fax: 0207 647 3431

Email: Helen.donovan@rcn.org.uk

12th June 2017

RCN response to HM treasury consultation on Alcohol structures consultation

With a membership of around 435,000 registered nurses, midwives, health visitors, nursing students, health care assistants and nurse cadets, the Royal College of Nursing (RCN) is the voice of nursing across the UK and the largest professional union of nursing staff in the world. RCN members work in a variety of hospital and community settings in the NHS and the independent sector. The RCN promotes patient and nursing interests on a wide range of issues by working closely with the Government, the UK parliaments and other national and European political institutions, trade unions, professional bodies and voluntary organisations.

This consultation follows the 2017 Spring budget recommendation for the government to examine options to amend the structure of the alcohol duty system so that duty rates correspond better to alcoholic strength.

- the introduction of a new band to target cheap, high strength 'white' ciders, below 7.5% abv
- the impacts of a new lower strength still wine band, to encourage the production and consumption of lower strength wines

As a member of the Alcohol Health Alliance the RCN support the consultation response from the AHA

1. Do you agree that there is a case for a new still cider and perry band below 7.5% abv?

1.1. Yes we believe there is a very strong case for introducing a new still cider and perry band below 7.5% ABV. Using the constraints of the current duty system, this is likely to be the most effective way of using tax to address the proliferation of cheap, high strength 'white' ciders that are disproportionately associated with harmful and street drinking. Health care professionals across various health and care settings, alongside charities involved in addressing the impact of alcohol have all expressed increasing concern about cheap, high-strength ciders.

**Royal College of Nursing
of the United Kingdom**
20 Cavendish Square
London W1G 0RN
Telephone +44 (0) 20 7409 3333
RCN Direct 0345 772 6100
www.rcn.org.uk

Patron
Her Majesty the Queen
President
Dr Cecilia Akrisie Anim CBE, RGN, DPSN
Chief Executive & General Secretary
Janet Davies BSc (Hons), MBA, RGN, RMN, FRCN

*The RCN represents nurses
and nursing, promotes
excellence in practice and
shapes health policies*

Typically, though not always, 'white' (i.e. colourless), these products are generally sold in large 2-3 litre bottles. This means it is not uncommon for people to either buy 3 litres as they feel this is more cost effective. Or, if they are trying to reduce their intake they struggle as they cannot buy smaller bottles and end up buying the larger size and inevitably consume the whole bottle. Leading brands include Aston Manor's 'Frosty Jacks' and Omega, Brookfield Drinks' 'Diamond White' and 'White Star'.

- 1.2. Due to anomalies in the tax system, these drinks are the cheapest products on the market on a per unit basis, with 3 litre bottles containing as much alcohol as 22 shots of vodka available for as little as £3.49. As a result, they are overwhelmingly favoured by those seeking alcohol at the cheapest possible price – often, vulnerable people who are homeless and or underage drinkers, chronically dependent drinkers as well.
- 1.3. Over the past twenty years, white ciders have gained increasing prominence as a 'drink of choice' for harmful and dependent drinkers. 25% of alcohol treatment services patients in Glasgow and Edinburgh drink white cider, and of these 45% drink it exclusively.¹ An Alcohol Concern survey has found that 50% of homeless white cider drinkers drink more than 3 litres a day, with 42% of respondents saying they have drunk it for more than 10 years².

Thames Reach³, which works with rough sleepers in London, suggest that super-strength drinks are doing more damage than both heroin and crack cocaine. The charity state that; 78% of the deaths in Thames Reach hostels are attributed to high strength alcohol and claim it is the biggest cause of premature death of homeless people in the UK.,

High strength cider plays a particularly damaging role in the consumption patterns of dependent drinkers, with many seeing it as a 'buffer drink', allowing them to maintain their level of consumption even through financial setbacks.⁴ Increasing the price of high-strength cider would to some extent remove this fallback, and so encourage dependent harmful drinkers to cut down when their money begins to run out. The size of cider bottles contributes to this harm – as one homeless worker remarks: "It's very difficult to get an accurate measure of how much white cider some people do drink because after three, three litre bottles they lose count".⁵

- 1.4. White ciders, particularly 'Frosty Jacks', have been consistently found to be among the top drinks chosen by young people who are known to have alcohol-related problems.⁶ Young people select these products due to their cheapness,

¹ Black, H. et al (2014) *White Cider Consumption and Heavy Drinkers: A Low-Cost Option but an Unknown price*. Alcohol and Alcoholism 49:6, pp675-80

² Goodall, T. (2011). *White Cider and Street Drinkers: Recommendations to reduce harm*. London: Alcohol Concern.

³ Thames Reach (2017), Calls for high-strength cider duty increase. Available from: < <http://www.thamesreach.org.uk/news-and-views/calls-for-high-strength-cider-duty-increase/>> [Accessed 23 March 2017]

⁴ Black, H. et al, *op. cit.*

⁵ Goodall, T. *op. cit.*

⁶ See, for example: Alcohol Concern (2015). *Alcohol brands consumed by young people in treatment 2015*. Available at http://www.alcoholconcern.org.uk/wp-content/uploads/2015/06/Alcohol-Brands_Young-People.pdf; Alcohol Concern (2013).

with many able to drink large quantities with limited funds, with little awareness of the high strength of these ciders and the potential harms. Indeed, younger underage drinkers appear to particularly favour cider. The dangers of white cider to young people were tragically illustrated by the recently reported story of 16-year-old Megan Craig-Wilkinson, who died in her sleep after drinking half a bottle of white cider at a New Year's Eve party.⁷ Harmful and underage drinkers appear to account for the vast majority of white cider sales.

- 1.5. A recent academic analysis applied the rates of strong cider consumption found among drinkers hospitalised with alcohol-related diagnoses and those in alcohol-treatment services to the estimates of the total population of these groups in Scotland, though there is little reason to suspect the results would be different for the rest of the country. It concluded that “most, if not all, customers of the cheap strong cider industry are dependent, and possibly ill, drinkers”.⁸

These results fit with popular perceptions of white cider. White cider is invariably seen as poor quality, and is sought almost exclusively because of its price. The existence of a market for white cider is almost exclusively attributable to its cheapness. Studies of white cider drinkers have indicated 75-85% favour it for its low price.⁹

- 1.6. It is the idiosyncrasies of the duty system that allow white cider to be sold for so little. Cider of 7.5% ABV attracts the lowest level of duty of any alcohol product at any strength. For example, a 500ml can of cider at this strength generates 19p of duty, less than a third of the duty on a can of beer of equivalent size and strength (69p). It is no surprise, then, that a number of ciders are produced at exactly this ABV to fully exploit the duty structure.

This is in large part a result of cider being taxed according to its volume, rather than its alcohol content. Since the same per litre tax rate is applied to all ciders between 1.2% and 7.5% ABV, this means that duty per unit is actually lower for higher strength products. A new duty band for high strength ciders between 5.5% and 7.5% and below would go some way to reducing these perverse incentives.

- 1.7. There is widespread public and professional support for changing the tax. Public health groups, including the Institute of Alcohol Studies, Alcohol Concern alongside the Alcohol Health Alliance have been calling for action on white cider for a number of years.¹⁰ The homeless charity Thames Reach is

Alcohol brands consumed by under-18s in contact with young people's drug and alcohol services; Alcohol Concern (2012). Alcohol brand consumption by 'at risk' underage drinkers: consumptive behaviours of under-18s in contact with Drug and Alcohol Services.

⁷ Smith, M. & Wheatstone, R. (2017), Tragedy of 16-year-old who died after drinking 'Britain's cheapest booze' raised in parliament as MP calls for ban, *Mirror* (1 March). Available from: <<http://www.mirror.co.uk/news/uk-news/tragedy-16-year-old-who-9941011>>. [Accessed 22 March 2017].

⁸ Chick, J. et al (2016), Strong cider sold in Scotland appears to be almost exclusively for dependent drinkers, *Clinical Medicine* 16:4, p398.

⁹ Black et al (2014) op. cit.

¹⁰ Alcohol Health Alliance (2015), Budget 2015: The Alcohol Health Alliance's position on taxation. Available from: <<http://ahauk.org/wp-content/uploads/2015/03/AHA-Policy-Position-Alcohol-Duty.pdf>> [Accessed 23 March 2017]; Goodall, T., op. cit.

**Royal College of Nursing
of the United Kingdom**
20 Cavendish Square
London W1G 0RN
Telephone +44 (0) 20 7409 3333
RCN Direct 0345 772 6100
www.rcn.org.uk

Patron
Her Majesty the Queen
President
Dr Cecilia Akrisie Anim CBE, RGN, DPSN
Chief Executive & General Secretary
Janet Davies BSc (Hons), MBA, RGN, RMN, FRCN

**The RCN represents nurses
and nursing, promotes
excellence in practice and
shapes health policies**

committed to raising tax on white cider.¹¹ The Institute for Fiscal Studies has recommended action be taken on “the very low levels of duty charged on strong cider”,¹² and has proposed that the optimal rate of cider duty (averaged across all products, not just high strength) should be 25p per unit – more than five times the current level of 7.5% ABV products.¹³

A new rate of duty targeting white cider should have cross-party support. David Burrowes has led a number of Conservative MPs in advocating the reform.¹⁴ The Labour party has previously endorsed the policy,¹⁵ as has Liberal Democrat Health Spokesperson Norman Lamb.¹⁶ According to First Minister Nicola Sturgeon, the Scottish National Party’s policy of a minimum unit price for alcohol is explicitly intended to “raise the price of the cheap supermarket white ciders”.¹⁷

Large parts of the alcohol industry also appear to have recognised the harms associated with high strength ciders. Heineken executives withdrew ‘White Lightning’, the then the market leader, from the market after a visit to a Thames Reach hostel.¹⁸ The major supermarkets do not stock the product, but smaller off licences and retailers still do, and can often be found in areas of high deprivation. Meaning that they are easily accessible to the most vulnerable and those most likely to consume them.

Most interestingly, 50% of white cider drinkers themselves favour the raising the price of the product.¹⁹ Further, of those who believe that it should be cheaper, a number believe it should be provided on prescription, suggesting a relationship with the product akin to illegal drug dependency.

The new duty band would be popular with the general public, with 66% of British people agreeing that taxes should be increased on high strength ciders.²⁰

- 1.8. Existing initiatives have failed to reduce sales of white cider. As noted in the consultation document, in 2010 the Government required ciders to contain at least 35% fruit juice in an attempt to raise the price of high-strength ciders. This has not worked. The market leader, ‘Frosty Jack’s’ already complied with the

¹¹ Thames Reach (2017), op. cit.

¹² Levell, P. et al (2016), Excise duties, *The IFS Green Budget*, p201. Available:

<<http://www.ifs.org.uk/uploads/gb/gb2016/gb2016ch9.pdf>>. [Accessed 20 December 2016].

¹³ Griffith, R. et al (2017), Design of optimal corrective taxes in the alcohol market. *IFS Working Paper W17/02*, p30.

¹⁴ Hansard (2016), HC Deb vol 614 col 255-9, 6 Sep. Available from: < <https://hansard.parliament.uk/Commons/2016-09-06/debates/16090632000002/FinanceBill>>. [Accessed 29 March 2017].

¹⁵ Labour Party (2015). Protecting children, empowering all. Available at http://www.yourbritain.org.uk/uploads/editor/files/Public_Health.pdf

¹⁶ Liberal Democrat Voice (2017), Lib Dems react to Budget. Available from: < <http://www.libdemvoice.org/lib-dems-react-to-budget-53548.html>>. [Accessed 29 March 2017].

¹⁷ BBC News 1 November 2011 - *Scottish government reintroduces alcohol pricing bill*. Available at <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-15525950>

¹⁸ Goodall, T. op.cit., p8.

¹⁹ Goodall, T. op.cit., p16.

²⁰ AHA Opinion Polling 2016

legislation as it had a juice content of 40%. Other products appear to have been able to meet the standard without adding much extra juice.²¹

The effect on price appears to have been minimal. In 2010, 74% of strong ciders were sold for less than 20p per unit. In 2011, after the implementation of the regulation, that had fallen only 2% to 72%.²²

Given that most mainstream ciders have been estimated to have a juice content of less than 50%, it is unlikely that raising this requirement would effectively target white ciders.²³

The Government's ban on the sale of alcohol for less than the cost of duty plus VAT has also had minimal effect on the sale of high strength ciders. At the moment this regulation prohibits the sale of 7.5% ABV cider for less than 6.5p per unit. In 2013, the year before it came into force, 0.14% of all strong ciders sold in England and Wales retailed for less than 10p per unit.²⁴ Thus only a very small proportion of the market has been affected.

- 1.9. There is no indication that the 'Responsibility Deal' has helped address the problem. Many 'Responsibility Deal' participants pledged to remove a billion units of alcohol from the market by providing more low strength products and ending the sale of products with more than four units in a single can. There is little evidence to suggest this has had a significant impact on overall alcohol consumption.²⁵ However, the lack of impact is particularly clear in the high strength cider market where products continue to be produced at 7.5% ABV, and in containers of 22 units, far exceeding the four prescribed in the 'Responsibility Deal' pledge. This is unsurprising, since leading white cider sellers, such as Aston Manor and Brookfield Drinks are not signatories to the relevant pledges.

2. Where do you think the lower threshold should be set? Please provide evidence to support your answer. We would also welcome any evidence about reducing the alcohol content of ciders.

- 2.1 We would support the wider recommendation to set the lower threshold of the new duty band at 5.5% ABV. More generally, in terms of the different approaches proposed in the consultation, we believe that the new duty rate should be wide. It should *primarily* aim to raise the price of strong white cider, rather than to encourage strong cider producers to reformulate. However, it is worth emphasising that the two objectives are not necessarily mutually exclusive – a new band of duty could simultaneously raise the price of some

²¹ Goodall, T. op.cit., p10.

²² NHS Health Scotland (2016), Off-trade alcohol sales price distribution 2009-15. Available from: <http://www.healthscotland.scot/publications/mesas-alcohol-sales-and-price-update-may-2016>>. [Accessed 12 December 2016].

²³ Thomas, S. (2004), An Assessment of chemical markets for the establishment of juice content in ciders. FSA Project Q01057 A.

²⁴ NHS Scotland (2016), op. cit.

²⁵ Holmes J., Angus C. & Meier, P. (2015) UK alcohol industry's "billion units pledge": interim evaluation flawed. *BMJ* 350

products, and encourage others to be reformulated. A wide band would potentially increase the scale of reformulation, and so deliver greater benefits.

- 2.2 Reformulation of strong white ciders should not be the main policy objective we feel this is likely to result only in modest changes to products and to levels of alcohol consumption. Raising the price of high strength cider, particularly if the increase were substantial, has the potential to radically alter the structure of the alcohol market. Since high strength cider is the cheapest product on the market by some distance, a meaningful increase in its price would significantly reduce the amount of alcohol that is affordable to dependent drinkers, and so reduce their consumption. A 'wide' duty band is also more amenable to incremental monitoring and adjusting policy over successive Budgets, since it is easier to adjust duty rates than duty bands. The wider duty band would have the double benefit of tackling white cider, but also encouraging the reformulation of certain mainstream products.

A wider duty band would effectively target the most harmful products on the market with minimal effects on more mainstream products. The most popular ciders are typically 4-5% ABV although there are a small number of mainstream products that are in the 5-6% range, these should be close enough to the boundary to be encouraged to reformulate to lower strength by a wide band.

- 2.3 As important as setting the right threshold is ensuring that the duty rate is set appropriately. To significantly reduce white cider consumption, the duty rate must be significantly increased. A guide for setting a new white cider duty rate could be the current rate applied to beer of similar strength (as noted, 7.5% ABV cider duty is currently a third of beer duty).
- 2.4 As a general principle, we hope that the government will seek to ensure that products in higher strength duty bands are always charged a higher rate of duty than those in lower strength duty bands.

This principle has implications for the 7.5-8.5% duty band as well. 8.5% cider is currently taxed at 7.2p per unit. Should the new proposed rate of duty on 7.5% cider exceed this level, we would expect the duty on 8.5% cider also to rise, so as to ensure the top rate of duty remains the highest. It would clearly be counterproductive if the new band were to encourage the production of ciders over 7.5% ABV because increases in duty in this category did not keep up with reforms elsewhere.

3. In volume terms, how does the still cider market breakdown by strength in 0.1% abv increments?

- 3.1 Based on the analysis from NHS Scotland's Monitoring and Evaluating Scotland's Alcohol Strategy (MESAS) project, 'strong cider' accounted for 18% of all cider sales in England, and 21% of all sales in Scotland in 2015.²⁶ The precise definition of this category is not publicly available, but from context it

²⁶ NHS Health Scotland (2016), op. cit.

seems likely to be 7.5% ABV and above. The MESAS data draws on the best available market research sources.

- 3.2 Our dependence on the fragments of private sector data that are made publicly available draws attention to a broader issue. Alcohol manufacturers and retailers hold large amounts of information that could significantly enhance the evidence base for policymakers regulating alcohol. We would like to take this opportunity to call for greater sharing of data between the industry and policymakers (on a confidential basis, anonymising specific companies where necessary). For example, it could greatly benefit licensing boards in their decisions to have data on the volume of alcohol sold by different premises.²⁷

4. We would welcome evidence on the impacts a new still cider and perry band could have. This includes, but is not limited to, the impacts on: (1) businesses, (2) consumers, and on (3) public health.

- 4.1 Harmful alcohol consumption comes at a major cost to public health, but also wider society. It accounts for over a million hospital admissions²⁸ and 23,000 deaths²⁹ in England each year, and accounts for 10% of the total UK burden of death and disease.³⁰ Tasked with reviewing the burden of alcohol on wider society, Public Health England recently found that 167,000 years of working life were lost to alcohol in 2015, more than the ten most frequent types of cancer combined.³¹ This comes at a social cost that has been estimated between £21 billion and £52 billion.³²

Raising the price of alcohol is widely recognised as one of the most effective ways to address alcohol harm.³³ High strength cider is no different. The new duty rate should push up the price of the cheapest products on the market, with the consequence that the most harmful drinkers will be able to purchase and consume less for their money. This, in turn, should reduce death and illness from alcohol and associated social harms.

- 4.2 The best available evidence suggests that white cider drinkers are highly influenced by price. Alcohol Concern have found that though “It is often argued that raising prices would not change the drinking habits of this group. It was very apparent during interviews that most of them have a very detailed knowledge of price variations”.³⁴ Similarly, the psychiatrist Peter Rice, concludes from his experience of treating dependent drinkers that “they are

²⁷ Alcohol Focus Scotland, BMA Scotland, Scottish Families Affected by Alcohol and Drugs & SHAAP (2017), *Changing Scotland's relationship with alcohol: Recommendations for further action*. Glasgow: Alcohol Focus Scotland, p19.

²⁸ HSCIC (2016), *Statistics on Alcohol England, 2016*.

²⁹ Institute of Alcohol Studies (2016), The health impacts of alcohol. Available from: <<http://www.ias.org.uk/Alcohol-knowledge-centre/Health-impacts.aspx>>. [Accessed 23 November 2016].

³⁰ Balakrishnan R et al (2009): the burden of alcohol-related ill health in the United Kingdom, *Journal of Public Health* 31:3, pp366-373.

³¹ Public Health England (2016), The Public Health Burden of Alcohol and the Effectiveness and Cost-Effectiveness of Alcohol Control Policies: An evidence review, p40.

Burton, R. et al (2016), A rapid evidence review of the effectiveness and cost-effectiveness of alcohol control policies: an English perspective, *The Lancet* doi: [http://dx.doi.org/10.1016/S0140-6736\(16\)32420-5](http://dx.doi.org/10.1016/S0140-6736(16)32420-5)

³³ World Health Organization (2013), *Global Action Plan for the prevention and control of noncommunicable diseases 2013-2020*

³⁴ Goodall, T. op.cit.

highly price aware and change their drinking behaviour in relation to price”.³⁵ He states that in the 1990s drinkers shifted to white cider in response to its arrival as the cheapest product on the market – if this were to be disrupted, the assumption is that drinkers would cut back or shift to more expensive drinks, which they could only afford to consume in smaller quantities. In particular, raising the price of high strength cider would reduce heavy drinkers’ ability to use it as a buffer drink, leaving them less able to sustain their drinking when they can no longer afford it.

- 4.3 The voluntary ‘Reducing the Strength’ scheme, whereby local authorities encourage retailers not to stock high strength beers and ciders (typically over 6.5% ABV) may offer some indication of the effects of reducing high strength cider consumption. While the scheme’s overall impact on alcohol consumption and harm has not been evaluated, one study of homeless drinkers found that those who switched to wine and spirits struggled to budget to maintain their consumption at such high levels, since such products are more expensive. At the same time, they were resistant to drinking “normal” strength beers and ciders, which were seen as “a waste of time”. This implies that overall alcohol consumption is likely to have declined.³⁶ However, it is important to note that Reducing the Strength is likely to have been undermined by non-compliance: some retailers in participating local authorities refused to participate³⁷, and there is evidence that drinkers deliberately sought these locations out.³⁸
- 4.4 The fear that reducing the availability or affordability of cheap alcohol will encourage the use illicit alcohol or alcohol substitutes (e.g. hand sanitiser) is not corroborated by the evidence from interviews with heavy drinkers which suggest that this is unlikely to occur.³⁹
- 4.5 Critically, targeting higher bands of duty on the strongest alcohol has worked in the past. The current top band for ciders is credited with shrinking the market for products above 7.5% from 20% in 1996 to less than 2% today.⁴⁰ Similarly, the market for super-strength beer and lager in England and Wales declined by 23% in the two years following the introduction of a new, higher duty band for such products in 2011.⁴¹
- 4.6 While a new band of cider duty could significantly reduce harmful drinking, it would be unlikely to have much effect on the vast majority of consumers. As noted above, relatively few mainstream ciders are stronger than 5.5% ABV – over 80% of the cider sold in the UK would be completely unaffected.⁴²

³⁵ Peter Rice statement to Alcohol Health Alliance

³⁶ McGill, E. et al (2016), Consequences of removing cheap, super-strength beer and cider: a qualitative study of a UK local alcohol availability intervention, *BMJ Open* 6:9.

³⁷ Sumpter, C. et al (2016), Reducing the Strength: a mixed methods evaluation of alcohol retailers’ willingness to voluntarily reduce the availability of low cost, high strength beers and ciders in two UK local authorities, *BMC Public Health* 16:448.

³⁸ McGill, E. et al (2016), Consequences of removing cheap, super-strength beer and cider: a qualitative study of a UK local alcohol availability intervention, *BMJ Open* 6:9.

³⁹ Chick, J. & Gill, J. (2015), *Alcohol pricing and purchasing among heavy drinkers in Edinburgh and Glasgow: Current trends and implications for pricing policies*. London: Alcohol Research UK.

⁴⁰ National Association of Cidermakers (2010) *A Response to the Alcohol Taxation Review*

⁴¹ NHS Health Scotland (2016), op. cit.

⁴² Ibid.

Moreover, because mainstream high strength ciders are much more expensive than white ciders, a duty increase would have a smaller impact on the final retail price, since duty comprises a much smaller proportion of the total price.

5. Would a new band for still wine above 5.5% up to 8.5% abv encourage innovation in the lower strength wine market?

5.1 We note that previous steps to encourage lower strength alcohol through the duty system have met with modest success. For example, sales of low and no alcohol beer rose by 33% in England and Wales between 2010 and 2012⁴³, with further growth predicted⁴⁴, apparently driven by the introduction of a lower rate of duty for beers between 1.2% and 2.8% ABV in October 2011. However, as of 2015, they still accounted for only 0.1% of the market.⁴⁵

Some Australian states have been successful at using tax incentives to promote lower strength beer, with regular strength (>3.8% ABV) beers levied additional wholesale taxes of over 10% of retail price since the 1980s.⁴⁶ This encouraged a thriving market for low and mid-strength beer, which have come to account for 18% of total beer sales.⁴⁷

There is also some evidence to show that attempts to encourage substitution of with lower strength alcohol have been most successful when the incentives have been combined with restrictions on the availability of higher strength products. For example, abolition of the sale of medium strength beer in Swedish grocery stores in 1977 led to lower alcohol consumption and alcohol-related harm.⁴⁸

5.2 We acknowledge that the evidence base applies almost exclusively to beer, and not wine. It does though suggest that, for a variety of reasons including health concerns and avoiding intoxication,⁴⁹ consumers might choose lower strength wine. However, there remain a number of consumer barriers to trying lower alcohol wine, including perceptions of lower quality and taste, low awareness and a lack of direct concern regarding alcohol content.⁵⁰

There does appear to be a growing appetite amongst consumers for lower alcoholic drinks more generally. Mintel reports that in the UK 39% of consumers

⁴³ Ibid.

⁴⁴ Hook, S. (2016), Tesco aims to be top for no/low alcohol, *Off-Licence News* (13 December). Available from: http://offlicencenews.co.uk/news/fullstory.php/aid/16239/Tesco_aims_to_be_top_for_no_low_alcohol.html. [Accessed 4 May 2017].

⁴⁵ Ibid.

⁴⁶ Stockwell, T. & Crosbie, D. (2001), Supply and demand for alcohol in Australia: relationships between industry structures, regulation and the marketplace, *International Journal of Drug Policy* 12:2, pp139-52.

⁴⁷ Australian Bureau of Statistics (2015), Apparent Consumption of Alcohol, Australia, 2013-14. Available from: <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/4307.0.55.001Main%20Features22013-14?opendocument&tabname=Summary&prodno=4307.0.55.001&issue=2013-14&num=&view=>>. [Accessed 29 March 2017].

⁴⁸ Jones, L. & Bellis, M.A. (2012), Can promotion of lower alcohol products help reduce alcohol consumption? A rapid literature review. Liverpool: North West Public Health Observatory.

⁴⁹ Saliba, A.J. et al (2013), Consumer demand for low-alcohol wine in an Australian sample, *International Journal of Wine Research* 5, pp1-8.

⁵⁰ Bruwer, J. et al (2013), Lower alcohol wines in the UK market: some baseline consumer behaviour metrics, *British Food Journal* 116:7, pp1143-61.

believe there are insufficient lower (and non-alcoholic) drinks available to buy in shops and pubs.⁵¹ They also find that that 44% of drinkers would be interested in lower alcoholic drinks if they were noticeably cheaper than standard strength variants. Given that low alcohol wine is thought to be expensive to make,⁵² it is possible that the proposed new tax band could facilitate such a price differential between higher and lower strength wines, encouraging consumers to switch to the latter.

6. We would welcome evidence on non-tax barriers to the growth of the lower-strength wine market.

Nothing to add.

7. We would welcome evidence on the current and future performance of the lower-strength wine and made-wine markets, including information on volumes sold.

7.1 MESAS data indicates that 0.5% of all wine sold in England and Wales (0.4% in Scotland) in 2015 was 'low alcohol', though the precise definition of this category is unclear.⁵³

We note that the volume of made wine between 1.2% and 5.5% sold has increased sharply in recent years, with the market growing by 117% between 2011/12 and 2015/16, compared to 18% for wine as a whole.⁵⁴ This segment is increasingly significant, with made wine sales amounting to 2.5 million hectolitres a year, compared to 12.9 million for grape wine.⁵⁵

8. We would also welcome evidence on the practicalities of reformulation for wine and made-wine producers.

Nothing to add.

9. The government would welcome evidence on the impacts of introducing a new band on: (1) businesses, (2) consumers, and (3) public health.

9.1 The effectiveness of encouraging lower strength alcohol as a policy for reducing alcohol-related harms is unproven, but worth exploring. Its success depends, first, on consumers who switch from higher to lower strength products not increasing their volume consumption, though one recent academic review suggested that this phenomenon is "implausible and largely theoretical", with little evidence of it in randomised trials.⁵⁶ However, it also depends on lighter

⁵¹ Mintel (2015), Attitudes to Low- and Non-alcoholic Drink – UK – April 2015. Available from: <<http://store.mintel.com/attitudes-towards-low-and-non-alcoholic-drink-uk-april-2015>>. [Accessed 4 May 2017].

⁵² Wine Intelligence (2012), Lower Alcohol Wine in the UK Market, p3. Available from: <<http://www.wineintelligence.com/wp-content/uploads/2015/09/Wine-Intelligence-Lower-alcohol-wine-in-the-UK-market-2012-updated-2015.pdf>>. [Accessed 4 May 2017].

⁵³ NHS Health Scotland (2016), op. cit.

⁵⁴ HM Revenue & Customs (2017), Alcohol Bulletin January 2017. Available from: <<https://www.uktradeinfo.com/Statistics/Pages/TaxAndDutybulletins.aspx>>. [Accessed 8 May 2017].

⁵⁵ Ibid.

⁵⁶ Rehm, J. et al (2016), Evidence of reducing ethanol content in beverages to reduce harmful use of alcohol, *Lancet Gastroenterology & Hepatology* 1:1, pp78-83.

drinkers not increasing their consumption. The net health effects of a new band of duty on lower strength wine are ambiguous, but potentially positive.

10. If the government decides to introduce a new still wine band, should the new duty band also be applied to still made-wines?

Nothing to add.

11. What impacts would a new still made-wine band have?

Nothing to add.

12. Do you think introducing a new still wine and made-wine band could create adverse incentives for producers to increase their alcohol strength of some of their drinks? If so, how large an effect would you expect this to be?

Nothing to add.

13. Are there any other factors that the government should consider in relation to a new duty band for wine and made-wine?

13.1 Care would need to be taken around the labelling of wines within this duty band. Labelling of these products as “low” alcohol wines, rather than “lower” alcohol wines, would be potentially misleading to consumers who may mistakenly believe that they are drinking lower amounts of alcohol than the reality, and which could result in adverse health consequences, drink driving and so on. This is particularly relevant given that nearly 30% of regular wine drinkers in the UK are not aware of the alcohol level in their typical bottle of wine.⁵⁷

Helen Donovan

Professional Lead for Public Health Nursing

⁵⁷ Wine Intelligence (2012), op. cit.