

Response from Action on Sugar to the Alcohol Duty Review - January 2022

Action on Sugar

Action on Sugar is a group of experts concerned with sugar and obesity and its effects on health. It is working to reach a consensus with the food industry and Government over the harmful effects of a high calorie diet, and bring about a reduction in the amount of sugar and fat in processed foods to prevent obesity, type 2 diabetes and tooth decay.

Submitted by: Holly Gabriel
h.gabriel@qmul.ac.uk
Nutrition Manager
Action on Sugar
Wolfson Institute of Population Health
Queen Mary University of London
EC1M 6BQ

9. If you are responding on behalf of an alcohol business please mark the relevant boxes below with an x (please mark all that apply)

9(a). Type of alcohol business:

producer importer excise warehouse/bottler

9(b). Type(s) of alcohol your business is involved with:

beer cider made-wine spirits wine

9(c). Size of business (no of employees):

0-9 10-49 50 - 249 250+

9(d). Amount of alcohol produced/imported per year (hectolitres):

Beer

0-5000 5001 – 60,000 60,001 – 200,000 200,001 +

Cider

0-5000 5001 – 60,000 60,001 – 200,000 200,001 +

Made-wine

0-5000 5001 – 60,000 60,001 – 200,000 200,001 +

Spirits

0-5000 5001 – 60,000 60,001 – 200,000 200,001 +

Wine

0-5000 5001 – 60,000 60,001 – 200,000 200,001 +

10. If you are not responding on behalf of an alcohol business please mark the relevant box below with an x

Retailer Member of public publican health group economic group

Consultation responses

1. What are your views on the proposed new structures of alcohol duty?

We support our colleagues, as part of the Alcohol Health Alliance, in welcoming the Government's move to a scaled and consistent alcohol duty system.

To have a more impactful effect on public health, we would encourage the Government to go further by increasing the duty rates, equalising cider and beer duties, and automatically increasing duty with inflation.

For health policies to have real impact, there needs to be several complementary policies. Alcoholic drinks have some of the weakest rules applied to them. Proper labelling and monitoring of nutritional content is consistently lacking, making it impossible for consumers to make informed policies. Robust mandatory policies across all alcoholic drinks is essential alongside fiscal measure.

2. Do you think the proposed duty rates are appropriate?

To avoid alcohol duty from losing in value (and thus impact on public health), the system should be changed so that alcohol duty would automatically increase with inflation. The overall rate of alcohol duty could be reviewed every 5-10 years by an independent commission, which should ensure alcohol duty covers alcohol's cost to society.

Precedent has shown that alcohol duty has been cut or frozen in 9 out of 10 years since 2012/13. Cumulatively, the alcohol duty cuts since 2012 will cost the Government £16.2 billion by 2026/27.¹

Funds raised from alcohol duty should be ringfenced to support alcohol health charities in a model similar to that proposed in the soft drinks industry levy.

3. Are there any other changes that you think should be included in the new structures?

The new tax system should be accompanied by a comprehensive evaluation which takes into account the duty system's impact on public health.

No health impact assessment has been published for the duty review. Given that the duty is in place due to the health impact of alcohol, Government must publish modelling on the impacts of the new system on public health.

Health impact assessments should also include the effects of multiple measures to reduce alcohol harm and other health impacts.

¹ Institute of Alcohol Studies (2021). [October Budget analysis](#).

The remainder of the questions sit out of Action on Sugar's remit, but as stated above, we are a member of the Alcohol Health Alliance and fully support their response to this consultation