

Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

10 February 2021

Dear Chancellor,

RE: Alcohol duty increase to protect public health

With the Budget fast approaching in March, I am joining public health colleagues in writing to urge you to increase alcohol duty by 2%. This step would significantly reduce alcohol-related harm and save money for our public services, whilst generating additional revenue.

We are delighted to be engaging with HM Treasury officials in the alcohol duty structures review. This important process is a once-in-a-generation opportunity to deliver fiscal policy that can save lives, reduce inequalities and protect public finances. We agree with the majority of public health stakeholders that the revised system needs to be proportionate, consistent, scaled and regularly updated. However, until this new system is established it is essential that the UK Government does all it can to help stem the tide of alcohol harm, which is fast becoming one of the major additional threats to our health and social care system as it struggles to deal with the pandemic.

Just this month, the Office for National Statistics released data which showed UK alcohol-specific deaths in the first nine months of 2020 were 16.4% higher than the same period in 2019. Public Health England has reported significantly increased rates of high-risk drinking since the pandemic began, as people struggle with uncertainties and challenges posed by home schooling, job insecurity and anxieties linked to the wellbeing of loved ones. There is robust evidence linking increased affordability of alcohol with increased rates of harm, and the availability of cheap supermarket drinks has no doubt contributed to the recent trends. Since 1987, the affordability of wine and spirits bought in the off-trade has risen by 163% and closures of hospitality venues during lockdown means that more drinking has taken place at home behind closed doors.

Increasing alcohol taxes is recommended by the World Health Organisation as one of the most effective policy measures to reduce harm. Raising alcohol duty will not only help to prevent a growing burden of disease, but it will also generate vital public revenues at this crucial time. This 'double dividend' has the support of the UK public, as demonstrated by multiple opinion polls. Surveys have also shown pub landlords recognise that supermarkets are the principal beneficiaries of alcohol duty

Advisory Council

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Professor Petra Meier, Dr Philip M Hadfield, Professor Jonathan Shepherd CBE
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cuts and freezes, further expanding the price gap between the on- and off-trade and threatening their business.

Research commissioned by the Institute of Alcohol Studies by the University of Sheffield analysed the impact of alcohol duty cuts and freezes since 2012 to public health. It is estimated that an additional 2,250 deaths and 65,942 hospital admissions were recorded in England and Scotland between 2012 and 2019, with £341 million in additional costs to the NHS. Moreover, HM Treasury estimates show that alcohol duty cuts and freezes since 2012 are costing £1.3 billion annually in lost revenue – the equivalent of the salary of 41,000 nurses.

The forthcoming Budget is an opportunity to take meaningful action, during these unprecedented times, to protect the health and wellbeing of the nation, prevent additional burden on the NHS and avoidable financial losses. I do hope you will consider this evidence in your decision-making over the coming weeks.

Yours sincerely

A handwritten signature in black ink that reads "K Severi". The letters are cursive and slightly slanted to the right.

Dr Katherine Severi
Chief Executive
Institute of Alcohol Studies