

British Association for the Study of the Liver (BASL)

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Rt Hon Sajid Javid MP Chancellor of the Exchequer HM Treasury 1 Horse Guards Road London SW1A 2HQ

11th October 2019

Dear Mr Javid,

I am writing on behalf of the British Association for the Study of the Liver (BASL) to ask for a 2% increase in alcohol duty above the retail price index. Increasing alcohol duty would help bring in much-needed additional revenue for the Treasury, while also reducing the strain on our public services by reducing alcohol-related harm.

Previous cuts to alcohol duty between 2013/14-2017/18 have, according to the government's own figures, already cost the Treasury £4 billion in lost taxes. It will cost approximately £1.2 billion in 2019/20, and, by 2024, the cumulative cost of alcohol duty cuts since 2013 will be £9 billion. To contextualise these numbers, £1.2 billion would be enough to pay the salaries of 40,000 nurses.

At the same time, public health budgets have been cut substantially. The Health Select Committee found that, in England, public health funding has been falling every year since 2014/15, with alcohol and other drug services facing the biggest cuts. Public Health England estimates that now only 1 in 5 people who need alcohol treatment are getting the support they need. This compounds the considerable strain that alcohol harm puts on the NHS and other public services — and alcohol is already estimated to cost the NHS England £3.5 billion annually.

New research shows that cuts to alcohol duty have further increased alcohol harm, which has put additional pressure on our public finances: the University of Sheffield found that cuts in alcohol duty since 2012 have led to 2,223 additional deaths and almost 66,000 additional hospital admissions in England and Scotland between 2012 and 2019. This has resulted in £341 million additional costs to the NHS.

The same report also shows that above inflation increases in alcohol duty, starting from the forthcoming Budget could have dramatic benefits: Increasing alcohol duty by 2% above inflation every year between 2020 and 2032 would result in 5,120 fewer alcohol-attributable deaths in England and Scotland.

PHE and the World Health Organisation also recommend increasing alcohol taxes as one of the most effective and cost-effective ways to reduce alcohol harm. Raising alcohol duty can thus improve public finances both directly and indirectly: by bringing in revenue – which could allow the funding of more public health services – and by reducing alcohol-related harm – thereby freeing up NHS resources.

Increasing alcohol duty is popular amongst the public. Research from the Alcohol Health Alliance UK found that 1 in 4 people believe that alcohol duty is currently too low, whereas



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only 1 in 7 think it is too high. Support for increasing alcohol duty rises to more than 50% if the money raised is spent on services impacted by alcohol use. Furthermore, cutting duty is of little benefit to pubs: nearly 90% of publicans in the North East said that duty cuts had not had a positive effect on their business. Less than 5% felt that alcohol taxes were the main cause of pub closures, while a majority (51%) thought that cheap alcohol from supermarkets and off-licenses was to blame.

I would be grateful for the opportunity to meet with you to discuss the importance of raising alcohol duty. If your office could contact the BASL Secretariat at admin@basl.org.uk with suggested dates, we can arrange a meeting at a mutually convenient time.

Yours sincerely,

Professor Guru Aithal BASL President