

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Iechyd a Gofal Cymdeithasol](#) ar [Isafbris Uned am Alcohol yng Nghymru](#)

This response was submitted to the [Health and Social Care Committee](#) consultation on [Minimum unit pricing for alcohol in Wales](#)

MUP08 : Ymateb gan: Cymdeithas Masnach Gwin a Gwirodydd | Response from: Wine and Spirit Trade Association



WSTA Submission to the Health and Social Care Committee Inquiry on Minimum Unit Pricing (MUP)

Submitted By: Wine and Spirit Trade Association

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Background to WSTA:

The WSTA (Wine and Spirit Trade Association) is the trade body for the wine and spirit industries in the UK, representing over 300 companies across the supply chain, from domestic producers to importers and bottlers through to retailers (both major multiples and specialist independents). Over 60% of WSTA members are SMEs, and over 30% qualify as micro-businesses.

The WSTA also provides the secretariat to the [Retail of Alcohol Standards Group \(RASG\)](#). This submission is on behalf of the WSTA, not RASG.

Public Understanding of MUP:

Minimum unit pricing is a targeted health improvement measure which aims to reduce alcohol consumption among people drinking at harmful levels. How effectively has the purpose of the legislation been communicated to the general public and to businesses affected?

It is important to highlight other significant policy interventions in 2025 that will impact alcohol pricing – a duty increase on 1st February, payments under the Extended Producer Responsibility for Packaging scheme, and general business cost increases (increase in employer national insurance contributions and wage changes).

If MUP is continued and updated there must be clear channels to publicly communicate the implementation of a new rate so that consumers, and the wider public, understand the source of price changes - where price increases are discretionary and where they are legally enforced. This is especially important given that alcohol consumers are price-sensitive, and demand is elastic.

The Welsh Government should commit to funding a campaign to promote public awareness of any change to the rate. There should be a generous lead-in time for any change to the rate to allow for this.

Impact of MUP in Wales:

What impact has minimum unit pricing had on alcohol-related harm in Wales?

The WSTA is concerned about the evidence base for the effectiveness of Minimum Unit Pricing (MUP) in reducing alcohol-related harm, and alcohol-related deaths since its introduction in Wales. Data from the Office for National Statistics shows that [alcohol-related deaths have risen in Wales – from 14 deaths/100,000 in 2020 to 17.7 deaths/100,000 in 2023.](#)

There are concerns that the introduction of MUP has created significant shifts in the purchasing of alcohol types, among those consuming harmfully. [The Welsh Government's evaluation report into the impact of MUP on service providers in Wales states that:](#) *'A shift from formerly cheap strong (white) ciders to spirits, particularly vodka, has been universally observed amongst service providers post-MPA implementation'*

The Welsh Government must base any decision on the continuation of MUP on an evidence base of whether it is effective in reducing alcohol-related harm/deaths, and harmful consumption levels.

What impact has the introduction of minimum pricing in Wales had on (i) retailers and (ii) local authorities?

As a trade association, the WSTA cannot provide a standalone case study on the impact of MUP on retailers. However, WSTA members include a range of retailers – from SME independent specialists to major multiple supermarkets.

Should MUP be continued and increased, there must be a sufficient period of adjustment offered to retailers to make the necessary changes to supply chains. Pricing will need to be reviewed SKU-by-SKU, software changes made, and in-store marketing resources wholly changed. Retailers must also be allowed to exhaust stock that will not meet any increased minimum price. The WSTA would suggest a minimum 9-month window between the announcement of any new rate and its implementation.

Should MUP be continued and be increased, sales should not be subject to any levy to recoup any revenue deemed as excess due to an increase the MUP rate. The intention of MUP as a policy is to establish a baseline price – not for functioning as a means of raising revenue. This would also incur additional obligations on business to track and report changes in profit margins on a SKU-by-SKU basis. It does not follow that MUP increases either turnover or profit, nor is it possible to predict how MUP might affect either metric for any given business. There is no fair or consistent formula

that can be applied. Along these lines, changes to MUP should also not introduce inflationary-aligned uprating of the per unit price. The new alcohol duty system, introduced in August 2023 uses a tax-by-ABV methodology. The UK Government's stated policy is to uprate alcohol duty by inflation annually. Therefore, the duty system already provides a form of inflationary alignment in alcohol pricing.

The Welsh Government should also consider publishing a schedule for intended review of MUP – both assessing its effectiveness in reducing alcohol-related harms, and any planned review of the ppu rate. Reviews should be subject to public consultations.

While it has not been identified as a significant and prevalent issue, ending MUP in Wales could remove the risk of cross-border travel for alcohol purchases. Where consumers do travel to England to purchase alcohol at lower prices, this has the effect of MUP policy harming Welsh retailers consumer bases and providing a 'postcode lottery' for retailers in Wales. The Welsh Government's report on service users and providers states: *'Those with the means and proximity to England could bypass the MPA related price increases, highlighting regional disparities in alcohol pricing and accessibility'*.

Future of MUP in Wales:

Should minimum unit pricing continue in Wales? Why?

The WSTA does not believe that MUP is an effective measure in tackling alcohol-related harm/deaths and therefore should not continue beyond the sunset clause in March 2026. The WSTA believes that targeted interventions, as opposed to whole population measures, are the most effective in tackling alcohol-related harm.

The WSTA has longstanding concerns about the Sheffield Model – which has been used as an evidence base for developing MUP in Scotland, Northern Ireland and Wales. The Welsh Government's decision on the future of the policy must be based on alcohol harm evidence, not a hypothetical model.

Should MUP in Wales be continued, the WSTA has a range of views – including arrangements for implementation, the new unit rate, and importantly, opposes any further additions or changes to the design and/or scope of minimum unit pricing in Wales.

Should the current minimum unit price of 50p be reviewed? Why?

The WSTA does not believe that MUP in Wales should continue. However, should MUP continue, the WSTA recognises that following the decision to uprate Scottish MUP to 65ppu on 30th September 2024, the rates in Scotland and Wales are currently not aligned. While we do not support increasing the rate for MUP (due to fundamental concerns over the evidence base for the effectiveness of the wider policy), should the Welsh Government choose to continue MUP and increase the rate, we suggest alignment with Scotland would be best. This is especially important for wine and spirits – a sector defined by high SKU complexity. Taking wine as an example, there are an estimated 100,000 SKUs across the UK market, with the vast majority subject to year-by-year ABV variation that will impact pricing.

For clarity, the WSTA does not support increasing the per unit rate from 50ppu. Only where, and if, the Welsh Government plans to increase the per unit rate, does the WSTA suggest it would be sensible to align with the 65ppu rate in effect in Scotland.

Minimum unit pricing is intended as one of a range of policy approaches to tackling alcohol-related harm. Do any other approaches need to be considered/strengthened in order to reduce alcohol-related harm in Wales?

Any continuation of MUP in Wales must also be accompanied by a set of policy measures intended to reduce alcohol harms via targeted interventions.

Access to alcohol treatment services in local communities must be improved, including further investment. [The Welsh Government's own evaluation report into the impact of MUP on service providers](#) acknowledges that since the introduction of MUP, there *'has also been an increase in referrals that include or are solely for alcohol treatment, with the increase starting about midway through last year'*.

Welsh and UK Government must also support, and reduce barriers to, the development of local partnerships, such as Community Alcohol Partnerships.

What impact has minimum unit pricing had on the need for alcohol treatment and support services?

The WSTA would draw attention to the Welsh Government's own evaluation report on service users, and providers, which states:

'Service providers and service users have observed some shifts towards purchasing stronger, alcoholic beverages... due to the pricing constraints imposed by MPA. This shift is seen as a way for service users to maximise their alcohol intake despite higher prices. Some service users reported "shopping around" for the best deals or even purchasing alcohol across the border in England to circumvent the higher prices in Wales. These behaviours highlight the adaptability of some consumers and the potential unintended consequences of MPA, such as increased consumption of higher-strength alcohol'

'There is a clear need to enhance treatment responses across Wales for dependent drinkers to ensure there is the right sort of treatment available that is both sufficient and accessible in its availability across the country'

'If MPA is renewed, then a campaign of promotion across providers through to drinkers needs to be revisited. This should include explicit 72 messaging about (1) the target audience for MPA, and (2) the impact on dependent, low-income drinkers'

