

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO LICENSING COMMITTEE

Agenda Item No. 9

meeting date: 16 MARCH 2010
 title: CAMPAIGN FOR MINIMUM PRICES FOR ALCOHOL
 submitted by: LEGAL SERVICES MANAGER
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1 PURPOSE

1.1 To inform Committee of a request made to the Chief Executive to consider joining a joint initiative with North West local authorities to establish a minimum unit price for alcohol by means of a bye-law.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions - }
- Community Objectives - } The Council aims to help make peoples' lives safer and healthier. This initiative could contribute to achieving this aim.
- Corporate Priorities - }
- Other Considerations - }

2 BACKGROUND

2.1 The Chief Executive has received a request from a campaigning group 'Our life' who state that their objective is as follows: "We believe that in the light of continued inaction by central government to tackle prices for alcohol, this (ie a bye-law) offers the best prospect of making a real difference to communities across the north west who are disproportionately subject to alcohol harm in all its forms".

2.2 The proposal seeks support for establishing a minimum unit price of 50p per unit for the sale of alcohol. A copy of the letter is attached as Appendix 1.

2.3 The Chief Executive has asked that this matter is referred to the Licensing Committee for consideration.

2.4 The proposal is based on using general powers that local authorities have to make bye-laws to address the specific issue of alcohol related harm to health.

2.5 However, in general terms the purpose of bye-laws relates to public order matters rather than public health matters. There could therefore problems in seeking to achieve an objective by a route which is not primarily intended to achieve that objective. In addition Lacors (Local Authority Commission on Regulatory Services) has taken advice from the Office of Fair Trading, about possible anti-competitive effects of such a proposal.

3 ISSUES

3.1 Committee is asked to consider whether or not the Council wishes to give its support to this initiative.

3.2 The letter makes reference to an approach across the North West, officers are not aware of any other Council based groups which are supporting or promoting this idea.

- 3.3 The issue of imposing minimum pricing raises a number of complex issues, on cost is only one factor in alcohol related harm.
- 3.4 Whilst the north west may be disproportionately subject to alcohol harm in all its forms, the experience of implementing the Licensing Act within the authority's area has been in general successful and there is little or no evidence of areas of excessive public disorder etc, related to alcohol consumption.
- 3.5 To support an initiative of this type would require a more in-depth consideration of the issues, but would also set a precedent for committee supporting intervention into a commercial relationship to achieve social objectives. The Office of Fair Trading commented as follows:

“Although there is an intuitive sense that lower prices encourage excessive consumption of alcohol, there is no evidence linking higher prices to reduced alcohol consumption and a reduction in alcohol related violent crime and disorder. Moreover, such an agreement is in effect an agreement between licensees to limit competition between them, which will ultimately result in a substantial elimination of competition in the on-trade.

Imposing blanket minimum prices does not appear to be a proportionate means of curbing excessive alcohol consumption, without first exhausting existing police powers to deal with the perpetrators of crime and disorder and current regulations which permit licensees to refuse to serve drunken customers.

Accordingly, the OFT is of the view that any measures taken need to be proportionate, targeted to particular localities and premises consequently to particular types of promotions and taken by the right people.”

- 3.6 If Members wished to consider joining the initiative further information could be obtained.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications

- Resources - }
- Technical, Environmental and Legal - } The Council could be at risk in several respects if it allied itself to any campaign without full consideration of the issues.
- Political - }
- Reputation - }

5 RECOMMENDED THAT COMMITTEE

- 5.1 That Committee advise the Chief Executive that they do not wish to support the use of existing powers to create a bye-law on minimum prices for alcohol.

LEGAL SERVICES MANAGER

For further information please ask for Diane Rice, extension 4418.