



Minimum Unit Pricing (MUP) for alcohol evaluation: Compliance (licensing) study – Executive summary

Introduction

- Minimum unit pricing (MUP) came into effect in Scotland on 1 May 2018. From that date every drink containing alcohol has a minimum price based on the amount of pure alcohol it contains. The minimum price for alcohol in Scotland is currently set at 50 pence per unit (ppu).
- A number of research studies are being undertaken to assess the impact of MUP. As part of the national MUP Evaluation Portfolio, this study focuses on the implementation of MUP from the perspectives and experiences of practitioners with responsibility for inspection and enforcement of MUP in licensed premises.

The aim of this study

- The aim was to understand how MUP was being implemented; what may have helped or hindered implementation; practitioners' views on the extent of non-compliance with MUP, and perceptions of any changes in the sale of unlicensed alcohol in Scotland.

What we did

- Telephone interviews with 12 Licensing Standards Officers (LSOs), five Police Scotland local divisional licensing officers, and three Trading Standards Officers (TSOs).



What we found

Based on the perspectives of those interviewed, we found that:

- licensed premises were felt to be largely compliant with MUP. Any issues of non-compliance with MUP were considered by practitioners to be minor
- there are different types of licensed premises: the on-trade (pubs and clubs) and the off-trade (shops selling alcohol for consumption off the premises). The off-trade includes large supermarket chains, as well as small independent shops. Practitioners reported that the on-trade had been largely unaffected by the implementation of MUP. This is because alcohol prices in this sector are normally higher than the current MUP rate of 50 ppu. Non-compliance was therefore not found to be an issue. In the off-trade, practitioners expected more instances of non-compliance among the smaller premises than among the larger supermarkets. This is because supermarkets tend to have management systems in place to ensure all their stores are compliant with required legislation. In practice, examples of non-compliance were found in both the large supermarket chains and smaller independent licensed premises. All issues were swiftly resolved
- a number of factors were identified that supported the high level of compliance. These include:
 - the mandatory status of MUP. This means that all premises must comply as a condition of their alcohol licence
 - the level at which MUP was set (£0.50p) means it had limited effect on the on-trade and only affected a comparatively small proportion of alcohol products in the off-trade
 - the financial incentive for licensed premises to comply, both to protect their licence, and because MUP is perceived to increase their income



- the role of the LSOs, together with the police licensing division and TSOs, in supporting compliance. The practical resources made available, such as the guidance produced by the Scottish Government and Scottish Grocers Federation, were also felt to have helped licensed premises.
- factors that may have created obstacles to effective implementation were, in the short-term, the limited lead-in time between the announcement that MUP would go ahead and the start date and the availability of guidance for premises. It was felt that these made it more difficult for premises to be ready by 1 May 2018. An ongoing issue may be making sure that premises understand how to calculate MUP and apply it to all their relevant alcohol product lines. Demands on LSOs to work on other local authority licensing issues may also limit their time to supervise compliance with MUP. Some issues that were still causing confusion – for example in relation to promotions, the use of vouchers and the need for ‘dual pricing’ where premises sold to both the licensed trade and the public
- no increases in illegal alcohol-related activity were identified as a result of the introduction of MUP.

Our understanding of the impact of MUP so far

- This is the first study from the evaluation of MUP to report.



Conclusions

- The study found that minimum unit pricing was, in the main, well implemented and compliance among licensed premises was high.
- An important first step for a policy to achieve its intended outcomes is successful implementation, and for the relevant people to comply with the policy. From the point of view of the participants in the current study, MUP has been effectively implemented by licensed premises. Other studies in the MUP Evaluation Portfolio will help to provide information on the outcomes that follow on from successful implementation.