

A duty on sugar sweetened beverages

A position statement

- Regular consumption of sugar-sweetened beverages (SSBs) causes weight gain, diabetes, dental caries and heart disease
- A duty on SSBs, as with alcohol and tobacco, is very likely to reduce SSB consumption
- A 20p per litre excise duty would raise around £1 billion in taxation revenue which should be ring-fenced for policies to promote children's health and wellbeing
- A duty on SSBs should not be seen as a panacea for obesity, but as part of a package of measures that can reduce obesity and other diet-related diseases
- This proposal represents a major step forward in promoting the duty of care to protect child health



Why a duty on sugar sweetened beverages (SSBs)?

There is good evidence, from trials and epidemiological studies, that regular consumption of SSBs (soft drinks with added sugar, high-fructose corn syrup or similar ingredients) is associated with weight gain and obesity,¹⁻³ diabetes, heart disease and poor dental health.^{4,5,6}

Increasing price has been shown to reduce the consumption of SSBs, as with other commodities. As with cigarettes and alcohol, placing a duty on SSBs could be used to raise price and encourage consumers to reduce consumption.⁷

There are often no beneficial nutrients in sugar-sweetened beverages and so reducing consumption would not be associated with any direct health harm. Furthermore, there is a growing evidence base linking addiction and sugar.⁸

SSB consumption in the UK

The average adult consumes about 50 calories a day, and the average child consumes approximately 100 calories a day from SSBs, representing one tenth of their daily calorie intake.⁹ Consumption in adults has been rising over the past 25 years.⁹ Sugar from SSBs now represents around a fifth of all the added sugar (non-milk extrinsic) in the diet. It also comprises half of the estimated average calorie excess (200 calories) fuelling the obesity epidemic in children.⁸

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Health implications of SSB duty in UK

It has been estimated that a 20% duty on SSBs would reduce consumption of SSBs by around 15-16% and reduce the number of obese adults by 180,000 (or 1.3% of all obese adults).⁷ The impact in the UK, where consumption patterns are more modest, would be smaller but still valuable in overall health terms. Children and young adults are the predominant consumers of SSBs and are the main groups whose health would be likely to benefit from the duty.

Most existing duties on SSBs in the USA have been at a low level (typically less than 5%). However, those introduced at a higher level (eg. in Ireland, Finland, Hungary and France) have been associated with significant reductions in SSB consumption.¹⁰

Form and level of sugar duty

An excise duty of 20p per litre has recently been proposed by Sustain,⁸ and the Academy of Medical Royal Colleges has called for "an at least 20% tax". The UK Health Forum has also recommended that taxes should be applied to sugar sweetened soft drinks. An excise duty of 20p/litre would raise around £1 billion in revenue. Ring-fencing this revenue to fund improvements to children's health and wellbeing is likely to increase public acceptance of the duty. An excise duty is preferred to a sales tax as it would be levied at a fixed rate per unit volume which removes any incentive to mitigate the effect of the duty by bulk buying or switching to cheaper brands. An option to progressively increase any duty, as with cigarettes, should be preserved.

Diet drinks

Water remains the best alternative to SSBs. At present the Faculty of Public Health (FPH) does not advocate a duty on diet drinks, as they may help people reduce their consumption of SSBs. However, concern has been expressed that diet drinks may promote desire for other sweet or sugary foods and drinks, and concerns remain about the safety of some artificial sweeteners.

Impact on those on low incomes

Excise duties are regressive (having a bigger

impact on income in disadvantaged groups). However, duties on cigarettes and alcohol have been supported because they powerfully improve health by reducing demand and consumption and therefore the consequent health harms such as rates of diabetes, heart disease and liver damage. The health effects of cigarette duties are thus progressive.¹¹ Larger health gains from an SSB duty might likewise be expected, given that people on low incomes are generally more sensitive to price rises, consume greater quantities of SSBs and have a much higher incidence of chronic disease related to poor diet and SSB consumption.

Proportional response

Some people argue that the government should not interfere in the market. However, the government already regulates markets in the interests of citizens and/or fair competition. Furthermore, there are costs (externalities) associated with consumption of SSBs due to the burden of disease and the consequent costs of treatment and care. The costs of these are borne by the tax payer.

Moreover, there has been extensive and often misleading marketing of SSBs that often associates such beverages with youth, health and vitality. Children and adolescents are particularly vulnerable to such misinformation. For these reasons, increasing government regulation would be proportionate and appropriate.

Public support

Polls from around the world have consistently shown that public support for food duties is high particularly when they are paired with efforts to improve health.¹³ Public support was important for other areas of public health legislation and tends to grow after successful introduction. Winning public support may be necessary to create the political space for such a duty to succeed. Any publicity surrounding the unhealthiness of SSBs, due to the duty's introduction and a public debate on its merit, may lead to further reductions in SSB consumption and increasing public support (as happened after legislation promoting seatbelts and smoke-free spaces).

Recommendations

- FPH advocates the introduction, by the government and other relevant bodies, of a 20p per litre excise duty on sugar-sweetened beverages, with the proceeds being used to fund healthy improvements in child health and wellbeing.
- FPH will participate in the public debate on the introduction of an SSB duty and use this as an opportunity to:
 - ◆ discuss the health implications of SSB consumption
 - ◆ discuss the impact that the food industry has on our food environments, dietary choice and health
 - ◆ call for regulation to protect children from unhealthy food marketing
 - ◆ encourage directors of public health to raise the issue of the SSB consumption of their local populations, minimise their availability in schools (especially academies and free schools which are no longer covered by the nutritional standards that are legally binding for other schools) and examine their availability in council-run leisure centres and other relevant bodies
 - ◆ encourage directors of public health to hold a local debate about the value of a duty.
- Health and consumer organisations should be encouraged to:
 - ◆ lobby for a duty on SSBs
 - ◆ communicate and discuss the need for a duty on SSBs and wider regulation of the food environment.
- A duty on SSBs should not be seen as a panacea for obesity, but as part of a package of measures that can reduce the incidence of obesity and other diet-related diseases.

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