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KPMG findings on UK Social Responsibility Standards

KPMG LLP was appointed by the Secretary of State for the Home Office through the Alcohol Strategy Unit (ASU) to undertake an independent review of the effectiveness of the alcoholic drinks industry's Social Responsibility Standards in contributing to a reduction in alcohol-related harm in England. For this assignment, KPMG worked in partnership with Lancaster University.

The Social Responsibility Standards were launched in November 2005, by a group of sixteen trade associations in partnership with the government and other agencies. The document draws together existing industry good practice, advice and codes of conduct. The Standards provide a point of "ready reference" for local government officials, the police and trading standards illustrating what the industry has done to promote responsible drinking and allowing these other bodies to complement such work. The formation of the standards coincided with the implementation of the Licensing Act 2003. The KPMG report assesses whether they are effective and fit for purpose. The report analysed: 'To what extent are the Standards adhered to?' 'How can social responsibility be best secured across the alcohol industry?' and 'What is the impact of the Standards in contributing to a reduction in alcohol-related harm?'

The report identified "the excellent work done by many organisations, especially producers and their representatives to demonstrate the principles of self-regulation" but found that best practice standards are not consistently adopted and applied across the whole of the industry. KPMG therefore recommends that, in order to make unconforming premises and producers apply the standards, they should be reviewed and made mandatory. Their review of the industry's Social Responsibility Standards found that the work of the Portman Group was highly respected and had led to an improvement in standards of alcohol marketing.

The report concludes that currently the Standards are not being consistently adopted and applied across the whole of the alcohol industry – examples are still found of inducements for people to drink more and faster, allowing under-age people entry to restricted premises,

and serving intoxicated people. The Standards are currently not able to reduce bad practice as 'they are a confusing mix of regulatory and voluntary provisions, and they are not cross referenced to the Licensing Act'.

The reports recommendations are therefore:

- 1) Actions should enhance the partnership approach between the industry and non-industry stakeholders at both a national and local level
- 2) Any requirements placed on the industry should be nationally and locally enforceable in a consistent way, and capable of independent external monitoring
- 3) Any non-statutory requirements placed on industry should have clear links (where appropriate) to the legal framework for the industry
- 4) Any change to the Standards should encompass all parts of the industry and not be limited to signatory members
- 5) Any future initiative should seek to put consumers (and their peers or guardians) in a knowledgeable and hence influential position to support responsible drinking.

KPMG's preferred option 'is a model based on a local government led approach, but working to national standards and conditions laid down by central Government'.

How can responsibility best be secured across the alcohol industry?

It is the industry's belief that self-regulation can save money; well designed and well administered self-regulation tends to be less expensive to the public purse, and can be more responsive to the consumer and Government. Legislation is seen as cumbersome, bureaucratic, takes time to enact and is more expensive for Government. The view of all signatory organisations interviewed is that a sufficiently rigorous legal framework already exists, although there is concern that local authorities are not implementing it uniformly. There is a unanimous view that more legislation will not be supportive of fostering a sense of social responsibility.

The Monitoring the Future study also reports that the proportion of college students reporting daily drinking declined 43% between 1980 and 2004; and drinking in the preceding thirty days declined by nearly 17.2% during the same period.

According to the latest data from SAMHSA's National Survey on Drug Use & Health, the percentage of 12-17 year-olds reporting monthly alcohol use has declined by 50% since 1982.

Fewer young drivers are drinking and are involved in fatal accidents, killing either themselves or others. In its 2001 report, "Determine Why There Are Fewer Young Alcohol-Impaired Drivers" the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) describes the progress in reducing youth drinking and driving as "spectacular". This is reflected in a reduction in the number of drunk teen driving fatalities per thousand licensed teen drivers in 2005 of 67% since 1982 and 20% lower than it was in 2000 to an all time low of 1383 deaths. According to NHTSA, total alcohol-related fatalities for youth under 21 has declined 62%, going from 6,512 in 1982 to 2,449 in 2005.

Source: National Highway Traffic Safety Administration, U.S. Department of Transportation.

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The UK and Europe - pressure on alcohol advertising

August has also seen calls from Alcohol Concern in the UK and Cheshire's chief constable, Peter Fahy to introduce a 9pm watershed for alcohol advertising in the UK. At present, advertising can only be shown when 75% of the audience is of legal drinking age and advertising rules, (toughened two years ago) ban adverts from appealing to under-18s.

However, Alcohol Concern found that the number of alcohol commercials increased dramatically between 3pm and 5pm - when children return from school.

The charity states "it is impossible for parents to predict when drink commercials will be broadcast and so a watershed ban is the only way to give parents the peace of mind of knowing that their children can be kept safe from the influence of advertising." The Broadcast Committee of Advertising Practice (BCAP) have responded by ruling out a pre-9pm ban, saying: "At this time BCAP is not considering a change to its alcohol codes, including the rules on where and when in the schedules alcohol ads may appear."

The Department of Health is investigating whether the existing restrictions on alcohol advertising do enough to protect children and young people, and whether there should be controls on discounting and other forms of promotion. There is also a House of Commons petition, or Early Day Motion, calling for a 9pm watershed on alcohol ads, and a ban on advertising alcohol in cinemas for films with a certificate below 18.

This follows the rejection of an amendment to the Audiovisual Directive (which governs advertising of alcohol on TV in the EU) in December 2006 at the