

HM Revenue & Customs and HM Treasury Consultation

Soft Drinks Industry Levy

The Royal College of Physicians of Edinburgh (RCPE) is pleased to respond to the call for views on a Soft Drinks Industry Levy. Founded in 1681, we support and educate doctors in the hospital sector throughout the UK and the world with over 12,000 Fellows and Members in 91 countries, covering 30 medical specialties.

Q1 - Are you:

a) a business?* b) an organisation? If so, please provide details (e.g. trade / health body) c) an individual?

b. The Royal College of Physicians of Edinburgh. The College is an independent clinical standard-setting body and professional membership organisation, which aims to improve and maintain the quality of patient care.

Q2 - If you are in business, where is your business established?

• UK • Isle of Man • Other EU - please state • Non EU - please state

Not applicable.

Q3 - If you are in business, how many staff do you employ across the UK? • Fewer than 10

• 10 - 100 • 101 - 500 • More than 500

Not applicable.

Q4 If you are a business that produces soft drinks, how much of your yearly production, in litres, would you expect to be liable for the levy?

Not applicable.

Q5.a - Do respondents agree that a definition of 'added sugars' as set out in the consultation is sufficient to capture the types of sugar commonly added to soft drinks?

Yes, the College agrees with this definition.

Q5.b – If the above definition would be insufficient or could be improved, can respondents propose a suitable definition of sugar contained in UK regulations or guidance, or regulations/guidance from other jurisdictions, which would be suitable for the intentions of the soft drinks levy?

It will be important that the definitions used are consistent with those being used by the Scientific Advisory Committee on Nutrition (SACN).

Q5.c – Do respondents agree that the Fruit Juices and Fruit Nectars (England) Regulations 2013 provide a reasonable reference point for legislation which achieves the aim of keeping pure fruit products outside of the scope of the definition of added sugars?

There is a risk of substitution of added sugars exceeding the limit with added fruit derived products which have similarly high levels of sugar. There should be stronger labelling when these products exceed the limit which would otherwise invoke the levy, to ensure that the impression is not given that fruit juices are harmless, for example, to infant teeth.

Q6 – Would requiring liable producers and importers to pay the levy on cordials and dilutables at diluted volumes present reporting or compliance problems for particular businesses? If so, please provide evidence and suggest any alternative approaches.

The aspiration of this suggestion appears reasonable; however it may raise issues regarding reformulation.

Q7 – Respondents are invited to submit views on the treatment of liquid drinks flavourings as regards the soft drinks industry levy.

The approach proposed is sensible. The important practical challenge is to make the levy easily implementable and easy to collect. Making things over complicated will not assist in this endeavour. The key issue concerns children's consumption of carbonated sugar sweetened drinks and the legislation needs to keep that very strong focus.

Liquid drinks flavourings do not present such a widespread consumption as soft drinks and for practical reasons exclusion may be reasonable. However, information for consumers on calorie content should always be made clear as this can be excessive.

Q8 – Do respondents agree that a minimum proportion of 75% milk is necessary to ensure that only nutrient-rich milk drinks are exempt from the levy? If not, what alternative test or treatment would you propose and why?

The College agrees this is necessary.

Q9 – Respondents are invited to submit evidence on the composition of lactose-free and dairy-free milk substitutes, and the practical effects of including water-based drinks of this kind within the levy.

The approach proposed is appropriate. The College has no specific comments on the composition of these products.

Q10 – Do respondents agree with the proposed treatment of candy sprays, ice lollies, and dissolvable powders?

The College agrees with this approach although we note the high sugar content of some of these products.

Q11 – We seek evidence and views from respondents on the types of added-sugar low alcohol products that may be captured by the levy, and the appropriate approach to these products in the levy legislation.

The College has no specific comment on this issue.

Q12 – We welcome views of health professionals and organisations in identifying whether there are any other criteria for deciding whether a particular soft drink should be out of scope of the levy for medical reasons.

This is an interesting question. The “original” version of one energy drink has been on sale for many years and was originally marketed “to aid recovery”. There are some medical conditions where the use of this type of product might be beneficial eg electrolyte imbalances. However, on balance, the College considers that all these products should be included in the scope of the levy for consistency and notes that alternatives are available.

Q13 - Respondents are invited to submit any evidence that the final levy design could have potentially adverse impacts on groups with protected characteristics.

The College has no evidence to submit which would suggest that the final levy design could have potentially adverse impacts on groups with protected characteristics.

All College responses are published on the College website www.rcpe.ac.uk.

Further copies of this response are available from Lesley Lockhart (tel: 0131 225 7324 ext 608 or email: l.lockhart@rcpe.ac.uk)

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