

Estimates of the cost of alcohol

Total social costs

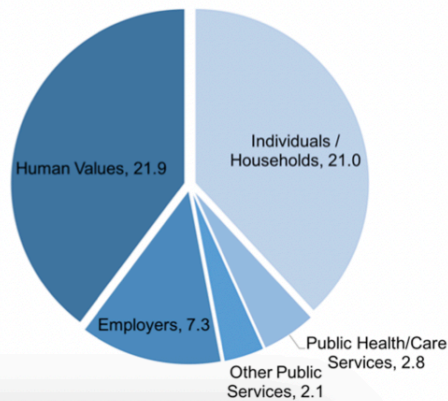
It is relatively unusual to look at total social costs of alcohol. A study by the National Social Marketing Centre comes closest to such an analysis, with a broad scope covering both private and external costs. It estimates that the total social cost of alcohol to England in 2006-07 was £55.1 billion.¹ This comprises:

- £22.6 billion costs to individuals and households, including
 - Crime and violence
 - Private health and care costs
 - Informal care costs for families
 - Lost income due to unemployment
 - Unusually, spending on alcohol consumption above guideline levels (on the basis that 'From a family perspective the economic impact of such purchasing can be devastating')
- £21.9 billion 'human values' costs: the pain and grief associated with illness disability and death
- £3.2 billion costs to public health and care services
- £5.0 billion costs to other public services, such as social care, criminal justice and fire services
- £7.3 billion of costs to employers due to lost productivity, absenteeism and accidents

'Transfer payments' which do not represent an overall cost to society, but simply move resources from one group to another – for example, tax income and benefits – are subtracted from this total to produce the overall estimate, as shown in figure 3.

Figure 3 National Social Marketing Centre estimate of social costs of alcohol

Social Costs of Alcohol in England, 2006-07 (£bn)



In the UK, the most widely cited such estimate is the government's claim that alcohol generates external costs of £21 billion a year in England. This number has its roots in a 2003 Cabinet Office Strategy Unit report which surveyed the evidence on the cost of alcohol to society.² While the methodology and assumptions underpinning the Cabinet Office analysis have not been revisited, up until 2012 their estimate has been periodically updated for new data and inflation.³ According to the most recent revisions from the Department of Health and the Home Office, these costs comprise:⁴

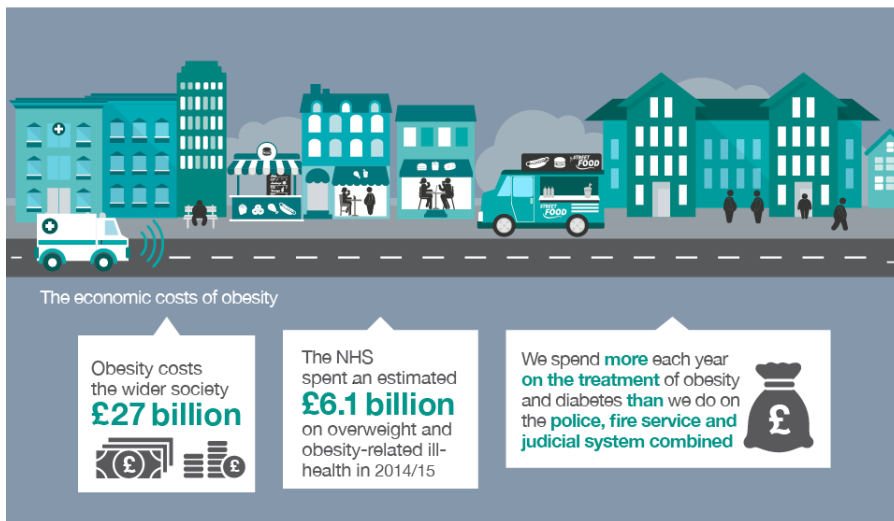
- NHS costs, at £3.5 billion per year (at 2009–10 costs)
- Alcohol-related crime, at £11 billion per year (at 2010–11 costs)
- Costs to the economy, at about £7.3 billion per year (at 2009–10 costs, UK estimate)

Figure 4 The annual cost of alcohol-related harm (government estimate)

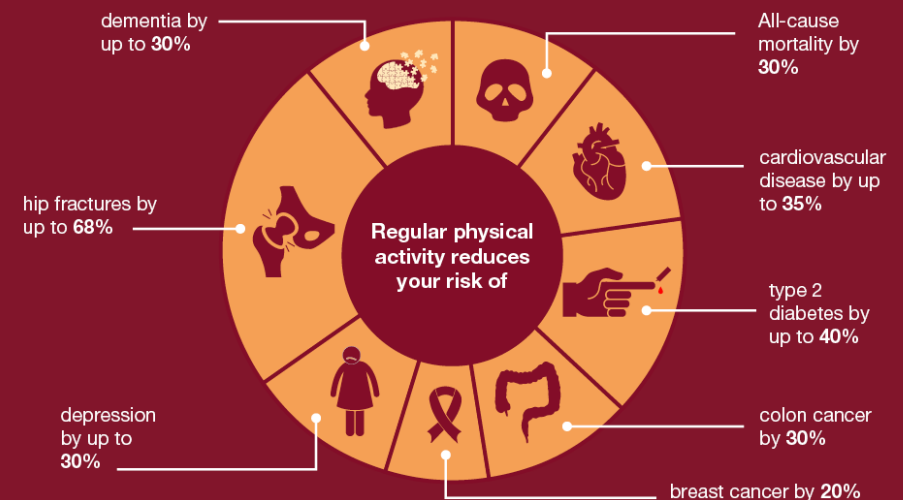


Source: Public Health England (October 2014), *Why invest in alcohol and drugs prevention, treatment and recovery*

While detailed breakdowns of these estimates are unavailable, the original Cabinet Office report provides an indication of the relative size of the specific items that make up the £21 billion number (though these have been updated subsequently):

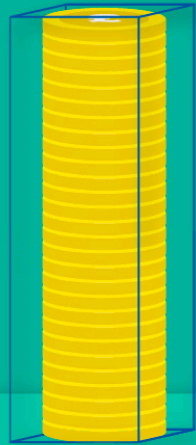


What are the health benefits of physical activity?

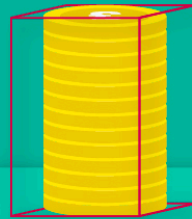


(1)

Costs of cardiovascular disease to the NHS and wider society



Estimated
£15.8 billion
per year
Non-healthcare costs



Healthcare costs alone in England stand at an estimated
£7.4 billion
per year

Why invest in cardiovascular disease prevention

PHE estimates that optimising detection of risk factors for CVD and the uptake of anticoagulants, antihypertensives and statins in line with the ambitions, could prevent:



150,000
CVD events

● NOW ● IN 10 YEARS ●

Over 10 years the societal return on investment is estimated to be
£2.30 for every **£1** spent
including the value placed on improved health

	Cost to treat	Cost of absenteeism/ early retirement/ benefits	Mortality	Prevalence	Risk Factors	Extras
Diabetes	£14 Billion/year 10% of total NHS budget (1)	Absenteeism- £8.4bn/yr Early Retirement- £6.9bn/ yr Benefits- £152,000 yr (1)	Life expectancy reduced by up to 10 years for T2DM (2)	In the UK 1 in 3 people have pre- diabetes, which is totally reversible with lifestyle and diet changes (3)	Overweight/obese Family history High blood pressure High Cholesterol Over 40 (3)	
Obesity	£6.1bn/year Annual spend on treatment of obesity and diabetes greater than spend on police, fire service and judicial system combined (5)	£21 bn year cost to wider society excluding NHS costs (5)	Life expectancy reduced by 9 years on average 30,00 deaths each year 3x increased risk of some cancers 5x risk of T2DM (4)	63% Of adults in the UK overweight , up to 26.9% obese (4)	Lower income - twice as likely to be physically inactive (7)	British medical journal- obese/ overweight less likely to exercise in public felt discriminated (5)
Alcohol	£3.5bn NHS £8-12bn healthcare, criminal justice, social care, reduced tax receipts (8)	Total cost in 2003 to society+ NHS £21B England+Wales (excluding personal impact) (see pages above) (8)	9,641 deaths/year Worsening significantly since onset of covid 25.4% higher in 2021 than 2019 (9)	31% of men, 16% women drink over 14 units/week (14)	Physical activity associated with up to 2x INCREASED alcohol consumption in uk (10)	
Smoking	£2.6bn/yr NHS £1.2bn social care costs (12)	£17.04bn total cost for england/yr (12)	17,000 deaths/ year (12)	1 in 7 adults smoke in UK, 2 in 3 lifelong smokers will die of smoking related deaths (13)	Withdrawal and cravings decrease during exercise and for up to 50 minutes post exercise (11) Evidence that especially aerobic exercise reduces urge to smoke (11)	

	Cost to treat	Cost of absenteeism/ early retirement/ benefits	Mortality	Prevalence	Risk Factors	Extras
Lack of physical activity	£0.9bn cost to NHS (6)	£7.4 cost to wider society	Persuading inactive people to do >30 minutes of activity/week could prevent 1 in 10 cases of stroke/ heart disease and 1 in 6 deaths- 'if physical activity was a drug it would be classed as a wonder drug'(6)	People in UK 20% less active now than in 1960s- if trend continues will be 35% by 2030 (6)	People living in 'least prosperous' areas twice as likely to be physically inactive than 'more prosperous' areas (7) People who are inactive have 4x rate of moderate to severe depression of active people (7)	NICE guidelines recommend physical activity programme to people with mild depression (7)
CHD	£7.4bn cost to NHS (16)	£15.8bn non-healthcare costs to economy (16)				
Total	£34.5bn Total NHS budget for 2022/2023 is 180.2bn Preventable diseases account for at least 19.1% of total NHS budget (17)	£97.7bn	Cost to UK economy from preventable conditions estimated £132bn The treatment and care of people living with often preventable, long-term conditions already account for around 50% of GP appointments and 70% of hospital days. (16) Research suggests that the cost benefits to society of implementing the obesity strategy in full are estimated to be £76bn over the next 25 years (16)			

