

These notes refer to the Public Health (Minimum Price for Alcohol) (Wales) Act 2018 (c.5) which received Royal Assent on 9 August 2018

PUBLIC HEALTH (MINIMUM PRICE FOR ALCOHOL) (WALES) ACT 2018

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 1: Minimum price for alcohol

8. This section sets out the formula to calculate the minimum selling price for alcohol.
9. The formula is
$$M \times S \times V$$
, where -
 - (a) M is the minimum unit price (to be specified in regulations);
 - (b) S is the percentage strength of the alcohol, expressed as a cardinal number (so for instance if the strength is 5%, the relevant cardinal number will be 5);
 - (c) V is the volume of alcohol in litres.
10. Subsection (2) provides that where the minimum selling price for the alcohol calculated according to this formula would not be a whole number in pennies, it is to be rounded to the nearest penny taking a half penny as being nearest to the whole penny above.
11. The section provides a practical example of a calculation relating to a bottle of wine and how the minimum price is to be rounded. That is, where the minimum selling price for the bottle of wine is calculated according to the formula as £4.6875, this would be rounded up to £4.69.
12. To give another practical example of how the formula would work if the minimum unit price (M) was specified in regulations as being 50 pence, a 7.5% strength (S), 3 Litre (V) bottle of cider would have a minimum selling price of £11.25 (0.5 x 7.5 x 3) being the aggregate of the three components of the formula.
13. For further practical examples of how the formula would work where alcohol is supplied as part of a special offer, please see the notes to accompany sections 5-7.