PUBLIC HEALTH (MINIMUM PRICE

FOR ALCOHOL) (WALES) ACT 2018

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EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Sections 5 to 7: Supply of alcohol as part of a special offer

Multi-buy alcohol transactions
Example 1

39.   In the case of a "buy one, get one free" offer where two boxes of 4% lager are described as being supplied for the price of one box, and assuming each box includes 10 cans at a volume of 330 ml for each can, the two boxes would be treated as having been supplied at the price paid for the single box.

40.   Taking the selling price at which a single box was supplied as £14, the applicable minimum price in relation to the lager would be calculated as follows:

41.   M is £0.50; S is 4 (the strength by volume of the lager); V is 6.6 litres (the total volume of the 20 cans).

42. $0.5 \times 4 \times 6.6 = £13.20$

43.   In this example, the selling price of £14 for the two boxes would be above the applicable minimum price for the alcohol supplied, and no offence under section 2 would have been committed.

Example 2

44.   Where 3 boxes of beer, lager or cider were available for purchase at a single selling price of £30, the minimum price for each box would need to be calculated in order to work out whether the selling price of £30 was lower than the applicable minimum price for the different combinations of alcohol which could be supplied.

45.   Assuming the box of beer comprised 10 440 ml cans of 6% strength by volume; the box of lager comprised 12 440 ml cans of 4% strength; and the box of cider comprised 12 330 ml bottles of 5% strength:

46.   The minimum price for the box of beer would be £13.20 (£0.50 X 6 X 4.4 litres, the aggregate volume for the box).

47.   The minimum price for the box of lager would be £10.56 (£0.50 X 4 X 5.28 litres).

48.   The minimum price for the box of cider would be £9.90 (£0.50 X 5 X 3.96 litres).

49.   Where a customer chose to purchase two boxes of beer and a box of cider, the applicable minimum price for the alcohol supplied would be £36.30 (that sum being the aggregate of the £26.40 minimum price for the two boxes of beer and the £9.90 for the cider).

50.   So, in this example, the selling price would have been £6.30 below the applicable minimum price for the alcohol being supplied, and, assuming the absence of a defence, the retailer would be liable to prosecution for committing the offence under section 2.

51.   But the purchase of 3 boxes of cider by the same customer would not give rise to the offence under section 2, since the applicable minimum price for the alcohol being supplied would be £29.70 (the aggregate of the minimum price of £9.90 for each box of cider).