



ASSOCIATION OF LICENSED MULTIPLE RETAILERS

Championing small business interests in the pub and bar industry

1 June 2009

POLICING AND CRIME BILL SECOND READING - A BRIEFING

I am writing to you ahead of the second reading of the Policing and Crime Bill in the House of Lords on Wednesday 3 June, to draw your attention to two particular Clauses in the Bill (Clause 27 and 31) that could potentially be very damaging the wellbeing of the pub and bar industry.

We believe that these clauses have been ill thought through by Government and very much regret that, so far, they have been given little or no time for debate.

The Association of Licensed Multiple Retailers (*ALMR*) is the only trade body solely dedicated to representing the interests of pub and bar operators. Our membership is derived from small, independent companies, the majority of which have an estate of fewer than fifty pubs. Between them they operate over 10,000 pubs and bars, often community pubs in suburban and rural locations.

Our industry, like others, is facing very many challenges. The credit crunch, economic downturn and a series of legislative and regulatory burdens have combined to create a perfect storm which is threatening many businesses. With an average pub turnover of just £5,000 per week, our members are particularly sensitive to any increase in the costs of doing business. It is widely known that 40 pubs a week have closed in the past year alone and that has resulted in not only 16,000 job losses but also the loss of a major social hub for many of the communities they used to serve.

We have two particular concerns over provisions contained in the Bill.

- ***We are particularly alarmed at the prospect of the introduction of a mandatory code for the sale of alcohol which we believe to be disproportionately heavy-handed and which will burden the industry with yet more red tape and compliance costs.***
- ***We are concerned at the Government's proposals to amend the existing offence of persistently selling alcohol to children from 3 occasions within three months to 2 occasions within three months. The existing law is very new and we believe is working well; there is no evidence that the matter needs revisiting and we consider that the proposed tighter sanctions are premature.***

Proposed Mandatory Code for the sale of alcohol

Part 3 of the Policing and Crime Bill sets out proposals to reduce alcohol misuse. Clause 31 provides for the introduction of a mandatory code for alcohol retailers. The Code includes mandatory national licensing conditions together with a range of optional local conditions.

Whilst the *ALMR* recognises the need to crack down on establishments that encourage irresponsible drinking, we have serious concerns as to whether the proposed measures will have the desired effect proportionate to the impact they will have on an already beleaguered sector. We submit that none of the proposed licensing conditions advance the crime and disorder agenda and responsible retailing objectives beyond what is already enforceable under the 2003 Licensing Act.



The Regulatory Impact Assessment (RIA) accompanying the Bill estimates that the introduction of the Code will cost the industry around £30 million; our estimates are that the costs will be actually higher. We calculate that the Government's proposals will cost operators nearly £1000 for each establishment in the first year alone; for many businesses these additional costs will prove unsustainable.

We further suggest that the Government risks compromising its own public policy objectives. The recent reduction in the number of licensed premises has contributed to a dramatic increase in the amount of alcohol consumed in unregulated and unsupervised places where there is no control over excessive and irresponsible consumption.

The vast majority of pubs promote drinking in a safe and supervised environment that discourages antisocial behaviour. In the words of Commander Simon O'Brien, Head of Licensing Issues for the Association of Chief Police Officers, "*licensees make excellent policeman of people in their premises.*"

We will of course respond to the Home Office consultation on the Code which closes in early August but worry in the meantime that the Code will go through 'on the nod' because the details have not been debated. The Code received no attention at the Third Reading in the House of Commons and so it remains for the House of Lords to consider carefully the implications of this part of the Bill before you.

Under-age sales

Clause 21 of the Bill seeks to amend the existing offence of persistently selling alcohol to children from 3 occasions within three months to 2 occasions within three months. The vast majority of pubs take very seriously their responsibility not to sell alcohol to people under age and the new rules are widely accepted as being proportionate.

The "three strikes" offence was introduced by the Violent Crime Reduction Act 2006 and was implemented only in June 2007 since when the Government has not produced any evidence that current provisions are inadequate. We are therefore baffled as to why the Home Office feels the need to change the law after such a short period.

Conclusion

We strongly believe that these 2 proposals in the Bill before you do nothing to address the (declining) problems of alcohol related disorder and under-age sales whereas they do add very considerable administrative burdens and compliance costs on an industry that is struggling to preserve jobs and provide a valuable local amenity.

We are aware of similar representations being made to you by the British Beer and Pub Association (BBPA) and endorse them.

I would be very glad to expand on these points if you wish.

A handwritten signature in black ink, appearing to read 'Nick Bish', with a stylized flourish at the end.

Nick Bish CMBII
Chief Executive