

ALMR Press Notice

Wednesday 13 May 2009.

Release time: immediate

ALCOHOL CODE - “UNNECESSARY AND UNWELCOME”

The Home Secretary has today been slammed by the Association of Licensed Multiple Retailers as “arrogant and out of touch” for dismissing the industry’s concerns about the costs of imposing a new code of practice on alcohol retailing in economic downturn. Unveiling the new proposals, the Home Secretary, Jacqui Smith said that the benefits outweighed the costs, fully accepting that this may harm small businesses and put jobs at risk

The leading trade body reacted angrily to the publication of proposals for yet more red tape and costs for Britain’s beleaguered pubs and bars, describing the code as “unwelcome and unnecessary”, arguing that local authorities already have sufficient powers under the Licensing Act 2003 to impose restrictions on irresponsible promotions and retailers who contribute to alcohol related crime and disorder.

Responding to the consultation document on the proposed Code, *ALMR* Chief Executive, Nick Bish, said:

“It simply beggars belief that the Home Secretary is still prepared to put businesses and livelihoods on the line by pushing through this Code. Last year, we lost 6 pubs a day and over 17,000 jobs to the economy, now Jacqui Smith plans to sacrifice more on the altar of red tape.”

The consultation published today proposes a national mandatory code of practice on alcohol retailing. This could impose up to 9 conditions to ban irresponsible promotions and retail practices and provide more consumer information. The final set of mandatory conditions and premises to which it could be applied will only be determined after the consultation period closes, but pre-consultation discussions with stakeholders have outlined a range of measures. Research carried out by the *ALMR* into the possible contents of a national mandatory code suggests that it will cost all businesses just under £1000 a year to comply.

Nick Bish went on:

“The Home Secretary is being disingenuous when she claims these proposals will not affect the responsible majority – they will affect the vast majority of law-abiding businesses and consumers every bit as much as the irresponsible minority. For many, these additional costs may well prove unsustainable.”

The *ALMR* did, however, welcome the report’s tentative proposals to tackle irresponsible promotions in the off-trade. Although not included in the draft national mandatory code, the consultation document explores the possibility of restricting bulk discounts requiring the purchase of more than 24 cans of lager and a ban on below cost selling – issues on which the *ALMR* has been lobbying Ministers.

Nick Bish concluded:

“The ‘pile it high – sell it cheap’ culture of the supermarkets is the single most irresponsible practice, and it is going on day in, day out on high streets across Britain. If the Government is serious about reducing alcohol consumption and tackling associated crime and disorder, then this should be the focus of the new code of practice. The Code will have little impact on either until pocket money prices are eradicated”.

<ENDS>

Notes for editors

- *ALMR* is the only national trade body solely dedicated to representing the interests of pub and bar operators, and to providing them with business support and advice. It has almost 100 member companies, operating over 10,000 outlets.
- *ALMR* research suggests that the average community pub generates £87,000 per annum in taxes – equivalent to two thirds of profits before tax. This is more than the lessee and landlord combined receive in income. Last year, pubs and bars closed in record numbers – 39 a week and over 17,000 jobs lost to the economy.
- The Regulatory Impact Assessment for the Policing and Crime Bill – which will be used to introduce the new code - estimates the new code could cost pubs up to £700 each per year: This equates to a cost of some £300 million for the industry as a whole. The Bill will be debated in the House of Commons on Tuesday 19th May 2009.

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