

Date: 2nd November 2009
Our ref:
Your ref:



Economy, Place & Skills

Trading Standards & Civil Resilience
North House, 130 Rochdale Road
Oldham, OL1 2JA

Tel: 0161 770 4480
Fax: 0161 770 3481

Dear Sirs

Re:

I am writing to you as premises licence holder for a licence issued under the Licensing Act 2003 for the above premises.

You may be aware from local and national media coverage that Oldham Council is currently taking action to tackle irresponsible drinks promotions at on-licensed premises in Oldham Town Centre by a formal review of their licences. This action is nearing completion and we have been pleased with the very positive response to our proposals from those premises.

We are now turning our attention to drinks promotions in off licensed premises, starting with the larger off licence sites. We are considering whether or not to seek a review of your licence to tackle the problem of cheap drinks promotions at your premises. We are particularly concerned by:

- Multiple Purchase Promotions (3 for £20 type offers)
- Very low priced alcohol – particularly where some alcohol sold costs less than an equivalent quantity of water on sale in your premises
- Use of Alcohol as a 'loss leader'
- Extensive promotions of cheap alcohol in the entrance areas or in non-alcohol sales areas of the premises

It is our view that:

- Irresponsible drinks promotions encourage alcohol misuse and/or anti social behaviour;
- The cumulative effect of irresponsible drinks promotions is to cause greater drunkenness, which in turn causes a rise in crime and disorder;
- The attractiveness of irresponsible drinks promotions, particularly to young people, causes a risk to public safety – particularly if demand is not managed properly;

- The effect of drinking excessive amounts of alcohol can be that people vomit or urinate in the streets, which is a public nuisance;

We accept that:

- Licensed premises must be free to operate in a competitive commercial environment;
- Drinks promotion is a legitimate way of:
 - Showcasing a new brand or product;
 - Increasing customer awareness of a product;
 - Introducing new customers to a product;
 - Providing a special offer to customers for a limited period on a popular or established product;
- In many ways, irresponsible drinks promotions may not be a deliberate act by licence holders, but a function of the competitive market place;
- There are no powers in the Licensing Act 2003 for the Licensing Authority to ban or prohibit drinks promotions, even if irresponsible.

This proposed application for review will not seek to ban or prohibit these promotions, although the Council strongly discourage their use. However, the Council is seeking to ensure that, if such promotions are run, adequate provision is made to ensure public safety, prevent public nuisance and prevent crime and disorder associated either directly with the drinks promotion or through its contribution to increasing the overall levels of alcohol consumption by people in the Community.

In particular – the Council seeks to achieve two outcomes with its proposed conditions:

- To reduce the available space for irresponsible drinks promotions in off licensed premises;
- To increase the protective services available, both through promotion of responsible drinks messages and through adequate security supervision of drinks promotion.

The Council considers that premises licence holders need to have additional cost, operational and logistical factors to consider prior to embarking on an irresponsible drinks promotion. At present, a licence holder has no disincentive, other than reputational, not to engage in irresponsible drinks promotion. Often these decisions are driven out of necessity for survival as one of the competitor locations operates a promotion. Very quickly, therefore, a situation can arise where drinks discounting or promotions spiral downwards creating a self-fulfilling cycle of events.

If the Council proceeds to commence a review of the licences, it will be based upon the direct and cumulative impact these promotions had on the levels of public nuisance, crime and disorder and the effects on public safety. Consequently, Greater Manchester Police, and other Responsible Authorities will be invited to provide supporting evidence, where appropriate, under relevant licensing objectives of the Licensing Act 2003.

In developing these proposals, the Council has taken into account a broad range of published material on reaching a set of proposals to tackle this problem. These include:

- The Secretary of State's Guidance under s.182 of the Licensing Act 2003;
- Good Practice in Managing the Evening and Late Night Economy – Office of the Deputy Prime Minister (October 2004)
- A Practical Guide for Dealing with Alcohol Related Problems – Home Office (February 2008)
- Point of Sale Promotions – British Beer and Pub Association (May 2005)
- British Code of Advertising, Sales Promotion and Direct Marketing – Advertising Standards Authority (March 2003)
- Code of Practice on the Naming, Packaging and Merchandising of Alcoholic Drinks – Portman Group (September 2002)
- Drinks Industry - Social Responsibility Code (withdrawn in December 2008)

The level of pre-loading of drinks also concerns the Council before people go out, particularly into the Town Centre. Our evidence suggests this pre-loading is fuelled by cheap alcohol promotions in off licences.

In order to tackle these problems, we invite your views on proposals to implement restrictions on in-store drinks promotion. These restrictions would only apply if you intend to sell alcohol at less than 50p per unit of alcoholic strength. This is the same benchmark that we have used for the on trade in Oldham Town Centre. If you do not sell alcohol below this price, the restrictions would not apply.

Our proposals include:

- A licence requirement that 'designated alcohol sales zones' be identified on the operating schedule of the premises. The specific location and size would vary according to the premises size, but would typically be two aisles in your premises;
- That alcohol on sale below 50p per unit of alcoholic strength would not be permitted to be displayed outside of the designated zone;
- That the designated zone be delineated by a barrier with entrance gates. The entrance gates clearly showing that no unaccompanied under 18's are permitted in the zone;
- That each designated zone be patrolled during opening hours by an SIA registered security officer;
- That the promotional material for alcohol on sale below 50p per unit of alcoholic strength be limited to a size less than 20cm by 10cm;
- That one of a choice of five social responsibility messages be displayed within a circle of 1 metre diameter (field of vision) for each location where alcohol is on sale below 50p per unit of alcoholic strength (definition of these is set out below);

In calculating the price of alcohol, instead of using the retail unit price, we would use the lowest price that the alcohol is available regardless of quantity purchased. Thus if the individual price is £1, but that price reduces to 60p when taken as part of a multiple purchase offer, we would use the 60p price.

The choice of five responsible drinks messages are:

- “Are you drinking too much alcohol? Visit www.drinkaware.co.uk”
- “Please Drink Alcohol Responsibly. Visit www.drinkaware.co.uk”
- “Don’t Give Alcohol to Children. Visit www.tradingstandards.gov.uk/oldham”
- “Alcohol Fuels Crime and Disorder in your Community. Visit www.gmp.police.uk”
- “Under 25? We will ask for ID to prove you are old enough to buy Alcohol.”

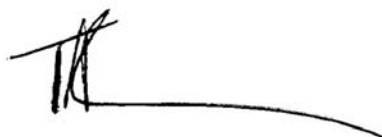
Where, as a result of a selection of locations within the designated zone selling alcohol below 75p per unit of alcoholic strength, we would require that a selection of the responsible drinks messages are displayed, with a view to all five being displayed if there are sufficient promotions.

You would be permitted to prepare the responsible drinks messages on your corporate colour scheme (provided the message is legible and shown against a contrasting colour) or you can use pre-printed messages that we would supply.

We have copied this letter to the Designated Premises Supervisor. In addition, in accordance with the Home Authority Principle, we have sent a copy of this letter to [Local Council] Trading Standards, who are the local authority for your company. We would welcome your views on this proposal by 31st December 2009.

Thank you for your assistance with this matter.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'T' and 'A' followed by a long horizontal flourish.

Tony Allen
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cc. Local Council Trading Standards