

Hospitality Ulster

04/12/2020

The Committee Clerk
Room 410, Parliament Buildings
Ballymiscaw
Stormont
Belfast BT4 3XX

Dear Sir/Madam

Hospitality Ulster is the professional body supporting the Hospitality Industry in Northern Ireland. With a focus on food and drink, our membership includes pubs, bars, café bars, restaurants, hotels, visitor attractions and airports.

The Hospitality Industry in Northern Ireland sustains c.65, 000 jobs and forms the backbone of the developing Tourism offering in Northern Ireland. Pre Covid-19, the commercial viability of the industry was already under pressure due to rising costs and the lack of opportunity to increase consumer numbers, market share and attract tourists. Factors that placed many of the small businesses that make up the majority of the industry under severe financial pressure.

But today all hospitality businesses face the biggest challenge they have ever faced, with the very survival of significant numbers of our pubs, restaurants and hotels now in doubt.

It is therefore vital that anything and everything is done to support the survival and rebuilding of the hospitality industry, and that Government expedite the review of liquor licensing legislation. We are very concerned that the Committee has extended the process, meaning Easter 2021 will be missed, which is possibly the most important Easter period ever with the potential for a degree of normality returning and the staycation market being attracted away by the RoI market that have no restrictions over Easter. We call on the Committee to redouble its efforts to deliver the Bill in time for Easter restrictions to be removed by 2021.

I trust this is in order.

Yours sincerely



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MODERNISATION OF LIQUOR LICENSING LEGISLATION

December 2020

IN SUMMARY

Hospitality Ulster is the professional body supporting the Hospitality Industry in Northern Ireland. With a focus on food and drink, our membership includes pubs, bars, café bars, restaurants, hotels, visitor attractions and airports.

The Hospitality Industry in Northern Ireland sustains c.65, 000 jobs and forms the backbone of the developing Tourism offering in Northern Ireland. Pre Covid-19, the commercial viability of the industry was already under pressure due to rising costs and the lack of opportunity to increase consumer numbers, market share and attract tourists. Factors that placed many of the small businesses that make up the majority of the industry under severe financial pressure.

But today all hospitality businesses face the biggest challenge they have ever faced, with the very survival of a significant numbers of our pubs, restaurants and hotels now in doubt.

Using data gained from credit risk analyses / scenario planning provided confidentially as percentages from major industry suppliers in Northern Ireland, Hospitality Ulster has extrapolated the data to obtain an indicative 'business failure rate' for key business premises / types within the hospitality industry. It is highly likely the 'business failure rate' and resulting job losses will increase as businesses face repeated lockdowns, extensive restrictions even when open and outgoings exceeding the Government support.

Businesses Failure

Predicted Business Failure Rate as a percentage of current businesses;

- Pubs: 11%
- Hotels: 18%
- Restaurants: 29%

Premises Type	No premises	% closure risk	Potential losses
Pubs / Bars	1236	11%	136
Hotels	145	18%	26
Restaurants	555	29%	161
TOTAL	1936		323

NOTE: This should be regarded as an indicative figure due to the methodology used.

Job Losses

When applied to the individual business types and an average of their respective percentage of direct jobs:

Premises Type	Direct jobs	% businesses at Risk	Potential job losses
Pubs / Bars	8,071 (16%)	11%	887
Hotels	10,548 (21%)	18%	1,898
Restaurants	30,375 (62%)	29%	8,809
Direct Jobs	48,994		11,594

NOTE: This should be regarded as an indicative figure due to the 'average number employed' methodology

If this figure is extrapolated to reflect the impact on indirect jobs at **23.5%** the total job losses (direct, indirect and induced) equals **€15,275**, accounting for an estimated loss in wages to the Northern Ireland economy of £211m.

It is therefore vital that anything and everything that can be done to support the survival and rebuilding of the hospitality industry is undertaken, and that Government expedite the

review of liquor licensing legislation. We are very concerned that the Committee has extended the process, meaning Easter 2021 will be missed, which is possibly the most important Easter period ever with the potential for a degree of normality returning and the staycation market being attracted away by the Republic of Ireland market that has no restrictions over Easter. We call on the Committee to redouble its efforts to deliver the Bill in time for Easter restrictions to be removed by 2021.

Hospitality Ulster does not propose or support wholesale deregulation of licensing legislation. We recognise alcohol is a controlled substance, and welcome the fact that the sale of alcohol is regulated by the courts, and anyone breaching the legislation will face the full weight of the law. Having led the introduction of the Responsible Retaining Code (RRCNI) in Northern Ireland, the only such code in the UK or ROI, Hospitality Ulster continues to play an active role in promoting the responsible sale and consumption of alcohol, providing the secretariat for the RRCNI, working proactively with the PSNI and leading the campaign for the introduction of a Minimum Unit Price for alcohol.

We do not seek to encourage people to over consume; instead our aim is to modernise the regulation of the Hospitality Industry to meet the needs of both the evolving domestic market and the growing Tourism economy, which have been hampered by the outdated liquor legislation. In the period between 2014 and 2019 alone, 104 pubs closed their doors, leaving just 1,222 pubs (compared to 1,629 just 20 years ago). If we are to stem the losses of our rural pubs, support employment and capitalise on the growth in tourism, modernisation of the legislation is now vital.

(Due to the complexity of our liquor licensing legislation, we have included explanations of current legal requirements in the 'In Detail' section of this paper and appendices that explain 'Late Licenses' and 'Easter hours').

Hospitality Ulster calls on the Government to create a regulatory environment that can support the responsible sale and consumption of alcohol, whilst stimulating growth in the Hospitality and Tourism sector in Northern Ireland. By amending the liquor

licensing legislation as follows (ranked in order of the October 2019, DfC consultation document):

1) Categories of licence:

For years Hospitality Ulster has led the call for the introduction of an additional **‘Category of licence’** that will allow craft breweries, distilleries and cideries to sell alcoholic products manufactured on their premises as part of a visitor centre experience. With a limited provision for ‘consumption for tasting’ free of charge, or as part of the visitor experience entrance fee and a limited off-sales facility, with the ability to transfer their licence on a set number of occasions annually. They should be able to facilitate the sale of the products they manufacture at designated cultural / tourism events, with limited free consumption for tasting, or as part of the event entrance fee.

It is important that any new licence category does not duplicate the abilities legislated for within existing licence categories as this would undermine the current marketplace- which was already under considerable pressure before Covid-19, with record numbers of pub closures and considerable job losses. 102 pubs closed in the last five years alone.

Pubs and off-sales are the only licensed category that are licenced to sell alcohol on its own, with Pubs being the only licensed category allowed to sell for consumption on the premises. For every other category (restaurants, hotels, conference centres etc.), alcohol must be an ancillary event, i.e. a meal, a resident, attending a conference etc. Therefore, creating a Tap Room for consumption of alcohol on the premises directly competes with pubs.

2) Permitted hours

We call for a modest increase in the ‘Permitted hours’ granted under an Article 44 (late licence) for pubs and hotels, from the current 1am to 2am. This would allow the hospitality industry to cater for changing consumer behaviour, with people going out later, dinning later and wanting later entertainment. These changes would also support the growth in

tourism, with international visitors also looking for later entertainment and the sustainability of the hospitality industry.

3) Additional hours – small pubs

We call for an increase in ‘Additional hours’ under Article 45 (late license) from the current 20 nights per year to 104 nights per year for small pubs. This is a measure to support the sustainability of small (often rural) pubs, which provide a community hub, help to tackle rural isolation and provide local jobs. Registered Clubs, which are not commercial businesses (but often compete for business) had their additional hours increased from to 80 nights per year in a previous licensing bill. Therefore the increase to 104 for commercial premises is important to restore the balance.

4) Easter opening

We call for the ‘current opening hours’ for Easter, which date back to 1833 (amended 1924), and place additional time restrictions on the sale and consumption of alcohol on the Thursday, Friday, Saturday and Sunday at Easter, to be brought into line with normal opening hours (normal Permitted hours) to allow them to meet the demands of a changing marketplace, developing tourism economy and the rising costs of running a business.

5) Drinking up time

We call for an increase in the ‘Drinking up’ time by 30 minutes to allow for a more controlled consumption of the last drinks, better management of people leaving the premises, a longer period of entertainment and an alleviation of the pressure caused by the shortage of taxis at peak times. This would not increase the amount of alcohol being sold.

6) Removal of off-sales

We DO NOT support limiting the ‘Removal of off-sales’ to 11pm. We believe that doing so would result in customers leaving premises early and increase home drinking. This would also place an unacceptable burden on the licensee and the Police Service of Northern Ireland (PSNI), in relation to monitoring / searching customers in/or leaving the premises after 11pm.

7) Places of Public Entertainment

We believe that the legislation for racecourses under 'Places of Public Entertainment' should be amended to include the sale of alcohol on a Sunday, with the provision that alcohol can only be sold as part of a main meal (similar to licensed restaurants).

8) Major events

We support the introduction of powers to vary licence conditions to support the viability / sustainability of 'Major Events' of regional economic or cultural significance taking place in Northern Ireland. As part of an increase in the Permitted hours and drinking up time to support the viability / sustainability of the wider industry in Northern Ireland.

We believe that these powers should also include the power for the Department to vary licence conditions for sporting events of regional significance taking place both in and outside Northern Ireland.

9) Alignment of entertainment and liquor licenses

We cannot currently support the 'Alignment of entertainment and liquor licenses' that would require entertainment to finish at the end of drinking up time. This proposal would currently limit the maximum time for entertainment to 1.30am, given that consumer trends are for people to go out later, dine later and then look for entertainment. However, if drinking up time was extended by 30 minutes and an additional hour for the sale of alcohol until 2am was introduced, Hospitality Ulster would reconsider its position and most likely back this proposal.

10) Children's Certificate

We believe that the need for a separate Children's Certificate, which results in additional paperwork, costs and some confusion should be removed and that the same conditions be included in the main liquor licence.

11) Deliveries of alcohol

We support the introduction of legislation to require proof of age to be shown for 'Deliveries of alcohol'. Due to the growth of online alcohol sales and deliveries to home addresses, removing the level of supervision provided by over the counter sales, it has become even more important to put measures in place to ensure persons under 18 cannot access alcohol through deliveries

12) Underage functions

We believe the legislation should be changed to allow young persons under 18 years into licensed premises to attend underage functions on the condition that alcohol is not being sold.

13) Family functions

We believe the legislation should be a changed to allow young persons under 18 years into licensed premises to attend family functions, such as weddings and birthday parties without time restrictions, on the condition that they are supervised by an adult family member at all times.

14) Young people in sporting clubs

We recognise the important role that sports clubs have in our community, and support changes to the licensing laws that would allow 'Young people in sporting clubs' for a bona fide awards night and until 11pm during summer months.

15) Restrictions on Advertising in Supermarket and Off-sales

We believe that placing restrictions on advertisements in and close to supermarkets and off-sales would have little to no impact on individuals drinking to excess.

16) Advertising of functions in clubs

We would support changes to the law that would allow Registered Clubs to advertise functions. Provided that all adverts, in all media;

- a. Include the wording 'strictly members only' in bold black text
- b. Is clearly visible and is easy to read
- c. Account for no less than 10% of the advert

17) Provision of entertainment in restaurants

We believe the illegal trading of a small group of irresponsible licensed restaurants damages the commercial viability of the other law abiding restaurants, hotels and pubs. However, a requirement to display a notice detailing the conditions in relation to the sale and consumption of intoxicating liquor in licensed restaurants would have absolutely no impact on the illegal activity of the small group of restaurants that trade outside the restrictions of their licence.

18) Self service

We support the introduction of regulations making it illegal to sell alcohol through 'Self-Service' and require all sales to be under direct supervision of a licensee or member of staff. Alcohol is a controlled substance and therefore should be sold in a controlled environment and under the supervision of staff to ensure persons under 18 years cannot make a purchase.

19) Codes of practice

Hospitality Ulster has championed the campaign for the Responsible Retailing of Alcohol, which has led to the introduction of the Joint Industry Code for the Responsible Promotion of Alcohol (NI), we believe that the Department should be allowed to formally approve industry codes of practice.

20) Remote sale of alcoholic drinks

We support the proposal to provide clarification on the 'Remote sale of alcoholic drinks' specifying that the premises from which the alcoholic drinks are dispatched must be licensed.

21) Loyalty schemes

Irresponsible promotions and marketing practices that encourage or incite individuals to drink to excess have no place in the licensed trade. However, responsible promotions and marketing practices, including loyalty schemes, are a legitimate way of maintaining and developing business. We believe licensed premises should be allowed to include

alcohol sales in ‘Loyalty schemes’, provided there is no time limit with regard to the redemption.

22) Other aspects of licensing legislation that should be changed (not covered in the 2019 DfC consultation)

- a. We believe that the legislation relating to an Article 44 ‘Permitted hours’ (late licence) on Sundays, which currently only allows for the sale of alcohol until 12 midnight, should be brought into line with Permitted hours for the other late nights granted for the premises under the Article 44.

- b. We believe that the definition of entertainment under the Article 44 ‘Permitted hours’ (late licence) should be amended to reflect modern entertainment and the requirement for the performer to be live should be removed. e.g. to include a DJ, watching a live streamed concert, watching a Ulster Rugby play on live TV.

- c. We believe that the legislation should be amended to allow licensed premises with an Article 44 ‘Permitted hours’ late licence to apply for an Article 45 ‘Additional hours’ late licence on night not covered by the Article 44.

- a) We believe that Northern Ireland’s rural communities could benefit from changes to the regulations that would allow pubs to provide enhanced community services like post offices, local farm shops etc, and also facilitate for community meetings, events, internet access points etc- as well as initiatives to tackle loneliness and social isolation in rural communities. Working in partnership with the not for profit organisation, ‘Pub is the Hub’, Hospitality Ulster calls on Government to amend the licensing regulations to facilitate licensees to widen their community role based on the Pub is the Hub model (see Appendix 3).

Appendices:

Appendix 1- Late Licences explained – Page 23

Appendix 2- Easter Hours Explained – Page 24

Appendix 3 – Pub is the Hub – Page 30

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IN DETAIL

Hospitality Ulster is the professional body representing the Hospitality Industry in Northern Ireland. With a focus on food and drink, our membership includes pubs, bars, café bars, restaurants, hotels, visitor attractions and airports.

The Hospitality Industry in Northern Ireland sustains c.65, 000 jobs and forms the backbone of the developing Tourism offering in Northern Ireland. Pre Covid-19, the commercial viability of the industry was already under pressure due to rising costs and the lack of opportunity to increase consumer numbers, market share and attract tourists. Factors that placed many of the small businesses that make up the majority of the industry under severe financial pressure.

But today all hospitality businesses face the biggest challenge they have ever faced, with the very survival of significant numbers of our pubs, restaurants and hotels now in doubt.

Using data gained from credit risk analyses / scenario planning provided confidentially as percentages from major industry suppliers in Northern Ireland, Hospitality Ulster have extrapolated the data to obtain an indicative 'business failure rate' for key business premises / types within the hospitality industry. It is highly likely the 'business failure rate' and resulting job losses will increase as businesses face repeated lockdowns, extensive restrictions even when open and outgoings exceeding the Government support.

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Predicted Business Failure Rate as a percentage of current businesses;

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It is therefore vital that anything and everything that can be done to support the survival and rebuilding of the hospitality industry is done and that Government expedite the review of liquor licensing legislation. We are very concerned that the Committee has extended the process, meaning Easter 2021 will be missed- possibly the most important Easter period ever with the potential for a degree of normality returning and the staycation market being attracted away by the ROI market that have no restrictions over Easter. We call on the

committee to redouble its efforts to deliver the Bill in time for Easter restrictions to be removed by 2021.

Whilst the Covid-19 crisis has all but wiped out tourism across the world, we must be ready and enhance our tourism offer in preparation for the world tourism market reopening.

Pre Covid-19, the opportunities from tourism had grown with Northern Ireland emerging as a new destination in the global market place, but our outdated and overly restrictive liquor licensing legislation has limited the ability of the hospitality industry to fully capitalise on this opportunity.

Core to the sustainability and growth of the industry is the ability to meet market demand in both the domestic and global markets, allowing the industry to service the domestic market and attract visitors to our towns and cities across the province. In the period between 2014 and 2019 alone, 104 pubs closed their doors, leaving just 1222 pubs (compared to 1629 just 20 years ago). If we are to stem the losses of our rural pubs and recover from impact of catastrophic impact Covid-19 has reaped on the entire hospitality industry, supporting the creation of employment and capitalising on the regrowth in tourism, modernisation of the legislation is now more vital than ever!

The following policy has been developed in consultation with our members and industry stakeholders, and with the consideration of both our common and unique issues in comparison with other parts of the United Kingdom and the Republic of Ireland. This Policy Paper sets out the background arguments and key facts, and makes recommendations on what needs to be done to support the sustainability and growth of the hospitality industry, whilst ensuring the responsible sale and consumption of alcohol.

Policy Background

Hospitality Ulster does not propose or support wholesale deregulation of licensing legislation. We recognise alcohol is a controlled substance and welcome the fact that the sale of alcohol

is regulated by the courts, and anyone breaching the legislation will face the full weight of the law. Having led the introduction of the Responsible Retaining Code (RRCNI) in Northern Ireland, the only such code in the UK or ROI, Hospitality Ulster continues to play an active role in promoting the responsible sale and consumption of alcohol. Providing the secretariat for the RRCNI, working proactively with the PSNI and leading the campaign for the introduction of a Minimum Unit Price for alcohol.

We do not seek to encourage people to over-consume, but simply to allow the responsible sale and consumption of alcohol. Supporting the commercial viability of our members businesses, which is now at a critical point due to rising costs and the lack of opportunity to increase consumer numbers and market share, is leaving many of them in an unsustainable financial position.

Hospitality Ulster has worked with elected representatives and the relevant agencies to highlight the areas of the Liquor Licensing Legislation (Northern Ireland Order 1996) that currently act as a block on industry development, and create an unfair playing field in the face of competition from home drinking and other tourism locations.

Hospitality Ulster calls on the Government to create a regulatory environment that can support the responsible sale and consumption of alcohol, whilst stimulating growth in the Hospitality and Tourism sector in Northern Ireland. By amending the liquor licensing legislation as follows (ranked in order of the October 2019, DfC consultation document):

1) Categories of licence:

For years Hospitality Ulster has led the call for the introduction of an additional '**Category of licence**' that will allow craft breweries, distilleries and cideries to sell alcoholic products manufactured on their premises as part of a visitor centre experience. With a limited provision for 'consumption for tasting' free of charge, or as part of the visitor experience entrance fee and a limited off-sales facility, with the ability to transfer their licence on a set number of occasions annually. They should be able to facilitate the sale of the products

they manufacture at designated cultural / tourism events, with limited free consumption for tasting, or as part of the event entrance fee.

It is important that any new licence category does not duplicate the abilities legislated for within existing licence categories as this would undermine the current marketplace- which was already under considerable pressure before to Covid-19. With record numbers of pub closures and considerable job losses, 102 pubs closed in the last five years alone.

Pubs and off-sales are the only licensed category that are licensed to sell alcohol on its own, with Pubs being the only licence category allowed to sell for consumption on the premises. For every other category (restaurants, hotels, conference centres etc.), alcohol must be an ancillary event, i.e. a meal, a resident, attending a conference etc. Therefore, creating a Tap Room for consumption of alcohol on the premises directly competes with pubs.

We believe licensing small brewers / distillers and cideries for the consumption of alcohol on their premises, beyond that to facilitate 'tasting', would create a pub by another name, but without the extensive overheads, like extremely high business rates based on turnover and the strict controls required of a public house. Further exacerbated by the fact that brewers, distillers and cideries in Northern Ireland receive 70% rates relief (unlike their counterparts in GB) and also benefit from only paying 50% of alcohol duty.

Brewers / distillers and cideries in Northern Ireland already partner with pubs to run 'Tap Room' events and we believe the continuation of this partnership approach should continue, rather than compete with pubs, which are in essence one of their customers. It is worth noting that when Tap Room events are run under an Occasional licence, whilst legal, other alcohol drinks are generally sold, demonstrating the commercial pressure to provide a range of drinks (beer and spirits) as the mixed groups of people attending have mixed tastes.

The hospitality industry is already impacted by a number of irresponsible licensed premises operating as pubs and restaurants (outside their licence category), which the

PSNI finds difficult to control. Experience would therefore show that it is not practical for PSNI to monitor and indeed police Tap Rooms to ensure that only products produced on the premises are being sold.

With regards to consumption for tasting on the premises as part of the visitor experience, it is important to remember that the premises are primarily a manufacturing facility. Which allow visitors a tour of the facility, and are not similar to a pub, bar or licensed restaurant, where the primary focus includes the consumption of alcohol and which have considerably more controls and much higher operational costs. Therefore, the sale of alcohol on these premises is similar to an off-sales, and any on-premises consumption must be limited to sampling. People visiting the brewery or distillery should not be allowed to buy alcohol for consumption beyond that which is provided for tasting free of charge or included in the visitor experience entrance fee. The tasting sample size should be as specified for Off-Sales in the Guidance to Joint Industry Code for Responsible Retailing of alcohol in NI (extract below).

Extract: Guidance on the Implementation of the Responsible Retailing Code (3rd Edition January 2018)

OFF-TRADE

- *There is a fundamental difference between sampling in the on- and off-trade. In the off-trade, the customer is thinking about purchasing and not consuming, unlike in the on-trade. Sampling in the off-trade is therefore a spontaneous decision based on the offer presented at the time, and the majority of customers are likely to be driving.*
- *All sampling must be conducted in accordance with the principles of responsible serving.*
- *Alcohol should not be left unattended in the designated area, and water should be provided on sampling stands.*
- *Sampling should only be done in the licensed area.*

- A total limit equivalent to 1 standard drink (10g of pure alcohol) is the **MAXIMUM** which should be offered in the off-trade –

No. of samples	1	2	3	4
Product	<i>Maximum Sample Size in ml</i>			
Beer/Cider	284	142	95	71
Spirits	35.5	18	12	9
Wines	100	50	33	25
Sherry	71	36	24	18

Sampling personnel should advise consumers that the total alcohol in all the samples combined does not exceed a maximum of 1 standard drink.

(1 standard drink = half a pint of beer/cider = 1 pub measure spirits= 1 small glass wine)

This new category should also have a facility similar to the Temporary extension Notifications in GB (TEN), that would allow the licence to be transferred (with Police approval) to facilitate the sale of products they manufactured, at designated cultural / tourism events (for consumption off premises), with limited free ‘consumption for tasting’ or as part of the main event admission fee (sample size as detailed in the Responsible Retailing Code NI for off-sales).

2) Permitted hours

Hospitality Ulster calls for a modest increase in the ‘Permitted hours’ granted under an Article 44 (late licence) for pubs and hotels, from the current 1am to 2am. This would allow the hospitality industry to cater for changing consumer behaviour, with people going out later, dining later and wanting later entertainment. These changes would also support the growth in tourism, with international visitors also seeking later entertainment and the sustainability of the hospitality industry.

Currently licensed premises may apply to the courts for an extension to Permitted hours (a late licence) under Article 44, permitting the sale of alcohol until 1am (12 midnight on a Sunday) provided it is ancillary to the main event, i.e. it requires food or live entertainment to be provided.

The commercial viability of the industry is now at a critical point, due to rising costs and the lack of opportunities to increase consumer numbers, market share and attract tourists. This is placing many of the small businesses, which comprise the majority of the industry, under severe financial pressure. Changing consumer trends and the dramatic increase in home drinking has resulted in consumers going out less often, going out later and dining later in the evening. In addition, the opportunity to maximise the return from tourists, who are now a new potential customer base, is limited as they are often deterred by our limited opening hours.

3) Additional hours – small pubs

Hospitality Ulster calls for an increase in ‘Additional hours’ under Article 45 (late license) from the current 20 nights per year to 104 nights per year for small pubs. This measure would support the sustainability of small (often rural) pubs, which provide a community hub, help to tackle rural isolation and provide local jobs. Registered Clubs, which are not commercial businesses (but often compete for business), had their additional hours increased to 80 nights per year in a previous licensing bill. Therefore, the increase to 104 nights for commercial premises is important to restore the balance.

Currently licensed premises that do not have their ‘Permitted hours’ extended under an Article 44 (late licence), which is granted by the court, can apply to the PSNI for ‘Additional hours’ under an Article 45 (late licence) for a maximum of 20 nights per year.

Small pubs, particularly in rural areas, play an important role by providing employment and, in many cases, acting as the local community hub. However, with many facing financial challenges and falling footfall, it is not economically viable for them to provide food or entertainment as required under a ‘Permitted hours’ Article 44 late licence.

Therefore, many are forced to use an Article 45 'additional hours' late licence, which is limited to a maximum of 20 nights per year.

4) Easter opening

Hospitality Ulster calls for the 'current opening hours' for Easter, which date back to 1833 (amended 1924) and place additional time restrictions on the sale and consumption of alcohol. On the Thursday, Friday, Saturday and Sunday at Easter to be brought into line with normal opening hours (normal Permitted hours).

Currently the sale of alcohol in pubs, hotels and restaurants is restricted to midnight on the Thursday and Saturday before Easter; 5pm – 11pm on Good Friday and 12.30am – 10pm on Easter Sunday. Supermarkets and off-sales can sell alcohol from 8am on Good Friday, but cannot open on Easter Sunday.

Hospitality Ulster respects the religious sensitivities surrounding the Easter period. But we believe the current restrictions on 'opening hours', which limit the sale of alcohol over the four-day period, and with no consistency across the types of licensed premises, is an anomaly in the legislation.

For example, on Good Friday, alcohol can be bought in a supermarket at 8am to be consumed at home or indeed in unlicensed restaurants. But a public house, licensed restaurant or hotel cannot serve alcohol until 5pm (restrictions do not apply to hotel residents).

The hospitality industry already provides choice for employees of all faiths, to choose not work on days of religious significance to the individual, and this includes Good Friday, as it is not a public holiday in Northern Ireland.

With the Easter weekend being a major local holiday and the start of the visitor season, we estimate that the restricted 'opening hours' over the four-day period result in losses in the region of £20m. As many businesses in the hospitality sector operate on a 20% margin, this effectively means they make no profit that month. This situation has been

further exacerbated by the fact that the Republic of Ireland has now removed all additional restrictions on the sale and consumption of alcohol over the Easter period, with the result of an additional loss of trade across the border.

5) Drinking up time

Hospitality Ulster calls for an increase in the 'Drinking up' time by 30 minutes to allow for a more controlled consumption of the last drinks, better management of people leaving the premises, a longer period of entertainment and an alleviation of the pressure caused by the shortage of taxis at peak times. This would not increase the amount of alcohol being sold.

Currently drinking up time is limited to 30 minutes after the permitted hours for the sale of alcohol, i.e. when sales finish at 11pm, all alcohol must be consumed by 11.30pm. Likewise, when sales finish at 1am, all alcohol must be consumed by 1.30am. This causes problems removing drinks from customers, encourages binge drinking and means customers all leave the premises at the same time, with limited availability of taxis.

6) Removal of off-sales

Hospitality Ulster does NOT support limiting the 'Removal of off-sales' to 11pm. We believe that doing so would result in customers leaving premises early and increase home drinking. This would also place an unacceptable burden on the licensee and the PSNI, in relation to monitoring / searching customers in or leaving the premises after 11pm.

Presently, customers may purchase carry outs in a pub/bar before 11pm and keep it with them until they leave the premises. If introduced, these proposals would require customers take any carry out purchases off the premises by 11pm, e.g. if a customer purchases a bottle of wine (for their lunch the following day) they will be required to leave the licensed premises at 11pm.

Given that off-sales in pubs are considerably more expensive than those from supermarkets, and therefore small in quantity, it is difficult to see how a claim that it fuels street drinking can be justified.

7) Places of Public Entertainment

Hospitality Ulster believes that the legislation for racecourses under 'Places of Public Entertainment' should be amended to include the sale of alcohol on a Sunday, with the provision that alcohol can only be sold as part of a main meal (similar to licensed restaurants).

Currently premises that operate under a 'Places of Entertainment' licence are not allowed to sell alcohol on a Sunday. However, this places severe restrictions on their ability to include a dining experience as part of their business offer on days without racing.

8) Major events

Hospitality Ulster supports the introduction of powers to vary licence conditions to support the viability / sustainability of 'Major events' of regional economic or cultural significance taking place in Northern Ireland. This is part of an increase in the Permitted hours and drinking up time to support the viability / sustainability of the wider industry in Northern Ireland.

With international events playing an increasing role in the Northern Ireland tourism offer, there have been a number of events that have been negatively impacted by the lack of ability to vary the hours for the sale and consumption of alcohol when the event falls outside the scope of the current licensing legislation. There is now a clear need for the ability to have controlled flexibility of licensing provision to support the viability / sustainability of events of regional economic significance.

Hospitality Ulster believes that these powers should also include the power for the Department to vary licence conditions for sporting events of regional significance taking place both in and outside Northern Ireland.

However, any changes must be accompanied by an increase to the Permitted hours and drinking up time to support the viability / sustainability of the wider industry.

9) Alignment of entertainment and liquor licenses

Hospitality Ulster cannot currently support the 'Alignment of entertainment and liquor licenses' that would require entertainment to finish at the end of drinking up time. This would currently limit the maximum time for entertainment to 1.30am, given that consumer trends are for people to go out later, dine later and then look for entertainment. However, if drinking up time was extended by 30 minutes, and an additional hour for the sale of alcohol until 2am was introduced, Hospitality Ulster would reconsider its position and most likely support this proposal.

Currently the hours granted under an entertainment licence and the hours granted under a liquor licence are not legally aligned. Some years ago this led to illegal trading by irresponsible premises. However, this is no longer a common practise / problem.

10) Children's Certificate

Hospitality Ulster believes that the need for a separate Children's Certificate, which results in additional paperwork, costs and some confusion, should be removed and that the same conditions should be included in the main liquor licence.

Currently licensed premises must apply for a separate Children's Certificate, which permits children on licensed premises and imposes set conditions (e.g. they must be dining, they must be accompanied by an adult and they must leave the premises by 9pm). The need to protect and regulate access to alcohol by children is important. However, the current system for issuing a Children's Certificate is over complicated and adds additional/unnecessary complexity and costs.

11) Deliveries of alcohol

Hospitality Ulster supports the introduction of legislation to require proof of age to be shown for 'Deliveries of alcohol'. As the growth of online alcohol sales and deliveries to home addresses is removing the level of supervision provided by over the counter sales, it has become even more important to put measures in place to ensure persons under 18 years cannot access alcohol through deliveries.

12) Underage functions

Hospitality Ulster believes the legislation should be changed to allow young persons under 18 years into licensed premises to attend underage functions on the condition that alcohol is not being sold.

Currently, persons under the age of 18 years are only permitted on licensed premises (hotels, restaurants and public houses) if they are dining and accompanied by an adult, and they must leave the premises by 9pm.

This situation means that licensed premises cannot hold, for example, an under 18 disco, school formal, careers convention for under 18s or even a church function or service for under 18s, even if the bar is closed and no alcohol is for sale. Whilst there is no desire to change legislation to allow the consumption of alcohol by persons under 18, it is ludicrous that having a teenage disco has, in the past, led to the prosecution of the owner of a host venue.

13) Family functions

Hospitality Ulster believes the legislation should be a changed to allow young persons under 18 years entry into licensed premises to attend family functions, such as weddings and birthday parties, without time and meal restrictions on the condition that they are supervised by an adult family member at all times.

Currently persons under the age of 18 years are only permitted on licensed premises (hotels, restaurants and public houses) if they are dining and accompanied by an adult, and must they leave the premises by 9pm.

This situation means that persons under 18 years are only permitted to attend family events that include a main meal (accompanied by an adult) and that they must leave the licensed premises by 9pm. In most cases, this would mean that the accompanying adult will also have to leave the function and impact the overall experience of the event.

14) Young people in sporting clubs

Hospitality Ulster recognises the important role sports clubs play in our community, and support changes to the licensing laws that would allow 'Young people in sporting clubs' for a bona fide awards night and until 11pm during summer months.

15) Restrictions on Advertising in Supermarket and Off-sales

Hospitality Ulster believes that placing restrictions on advertisements in and close to supermarkets and off-sales would have little to no impact on individuals drinking to excess.

Responsible promotions and marketing practices in both the on and off trade are a legitimate way of maintaining and developing business. On the other hand, irresponsible promotions and marketing practices that encourage or incite individuals to drink to excess have no place in the licensed trade.

16) Advertising of functions in clubs

Hospitality Ulster recognises the important role sports clubs play in our community and that the majority of clubs operate within the conditions of their liquor licence. However, a sizeable number of registered clubs operate outside their licence restrictions, trading as public houses and restaurants, but without the significant associated costs that come with a commercial property. This results in unfair commercial losses to the surrounding pubs, restaurants and hotels.

However, Hospitality Ulster would support changes to the law that would allow Registered Clubs to advertise functions. Provided that all adverts, in all media;

- d. Include the wording 'strictly members only' in bold black text
- e. The text is clearly visible and is easy to read
- f. Account for no less than 10% of the advert

17) Provision of entertainment in restaurants

Hospitality Ulster believes the illegal trading of a small group of irresponsible licensed restaurants damages the commercial viability of other law abiding restaurants, hotels and

pubs. However, a requirement to display a notice detailing the conditions in relation to the sale and consumption of intoxicating liquor in licensed restaurants would have absolutely no impact on the illegal activity of the small group of restaurants that trade outside the restrictions of their licence.

Restaurants play an important role in the Northern Ireland food and beverage offering and, whilst the majority of restaurants operate within the licensing legislation, (which requires alcohol to be sold as part of dining and included on the main table bill), licensed restaurants are not allowed to charge an entrance fee.

There are a small but persistent number that trade similar to a pub or hotel without the associated costs that the other licensing categories incur (i.e. business rates based on receipts and expenditure), with their actions giving them a competitive advantage and increased profits when compared to the majority of law abiding restaurateurs.

18) Self service

Hospitality Ulster supports the introduction of regulations making it illegal to sell alcohol through 'Self-Service', and requires all sales to be under direct supervision of a licensee or member of staff. Alcohol is a controlled substance and therefore should be sold in a controlled environment and under supervision of staff to ensure persons under 18 years cannot make a purchase.

19) Codes of practice

Having supported the campaign for the Responsible Retailing of Alcohol, which has led the introduction of the Joint Industry Code for the Responsible Promotion of Alcohol (NI), Hospitality Ulster believes the Department should be allowed to formally approve industry codes of practice.

20) Remote sale of alcoholic drinks

Hospitality Ulster supports the proposal to provide clarification on the 'Remote sale of alcoholic drinks' specifying that the premises from which the alcoholic drinks are dispatched must be licensed

21) Loyalty schemes

Irresponsible promotions and marketing practices that encourage or incite individuals to drink to excess have no place in the licensed trade. However, responsible promotions and marketing practices, including loyalty schemes, are a legitimate way of maintaining and developing business. Hospitality Ulster believes licensed premises should be allowed to include alcohol sales in 'Loyalty schemes' provided there is no time limit with regard to the redemption.

22) Other aspects of licensing legislation that should be changed (not covered in the 2019 DfC consultation)

- b) Hospitality Ulster believes that the legislation relating to an Article 44 'Permitted hours' (late licence) on Sundays, which currently only allows the sale of alcohol until 12 midnight, should be brought into line with Permitted hours for the other late nights granted for the premises under the Article 44.
- c) Hospitality Ulster believes that the definition of entertainment under the Article 44 'Permitted hours (late licence)' should be amended to reflect modern entertainment and the requirement for the performer to be live should be removed. e.g. to include a DJ, watching a live streamed concert, watching a Ulster Rugby play on live TV etc.
- d) Currently licensed premises with an Article 44 'Permitted hours' late licence cannot apply for an Article 45 'Additional hours' late licence to operate on nights that are not covered by the Article 44 'Permitted hours' late licence. For example, a licensed premises with an Article 44 'Permitted hours' late licence for a Thursday, Friday and Saturday cannot take advantage of 'one off' events, such as a birthday party booking for a Monday night, as it cannot sell alcohol after 11pm on that night.

Hospitality Ulster believes that the legislation should be amended to allow licensed premises with an Article 44 'Permitted hours' late licence to apply for an Article 45 'Additional hours' late licence on night not covered by the Article 44.

- e) The Northern Ireland Hospitality and Tourism industry is competing in a global, cost sensitive market place, and the impact of high taxation and additional costs of unnecessary, disabling regulations and outdated legislation directly impacts on our industry's ability to compete.

Hospitality Ulster calls on the Government to *implement the findings of the DETI Review of Red Tape into Liquor Licensing Legislation to simplify and remove unnecessary cost from the granting, renewal and amendment processes for liquor licensing, with additional powers and consequences for licensed premises involved in illegal trading.*

- f) Hospitality Ulster believes that Northern Ireland's rural communities could benefit from changes to the regulations that would allow pubs to provide enhanced community services like post offices, local farm shops etc, and also facilitate for community meetings, events, internet access points etc, as well as initiatives to tackle loneliness and social isolation in rural communities.

Working in partnership with the not for profit organisation, 'Pub is the Hub'.

Hospitality Ulster calls on Government to amend the licensing regulations to facilitate licensees to widen their community role based on the Pub is the Hub model.

Pub is the Hub is a UK-based not for profit organisation of specialist advisors for communities and licensees who are thinking of broadening their range of services. It encourages communities, licensees, pub owners, breweries and the private sector to work together to match community priority needs with additional services, which can be provided by the local pub and a good licensee.

Many pubs are still at the centre or hub of community life, and the Pub is the Hub programme has helped pubs in Great Britain to provide essential services beyond the usual drinks, food or entertainment. These include Post Offices, community libraries, village shops – as well as initiatives to tackle loneliness and social isolation in rural communities. (see Appendix 3).

Appendices:

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Appendix 3 – Pub is the Hub – Page 30

Appendix 1- Late Licences Explained:

- A '**Permitted Hours**' late licence that allows the sale of alcohol after 11pm on designated nights, is granted by the court under Article 44 of the Liquor Licensing Legislation. It requires food or live entertainment to be provided. The maximum time alcohol can be sold is midnight on a Sunday and 1am on other nights (other restrictions also apply).
- An '**Additional Hours**' late licence that allows the sale of alcohol after 11pm on up to 20 nights per year, which is granted by the Police under Article 45 of the licensing legislation. This does not require food or live entertainment to be provided. The maximum time alcohol can be sold is midnight on a Sunday and 1am on other nights (other restrictions also apply).

NOTE:

- Premises with an Article 44 'Permitted Hours' late licence granted by the court, with a limited number of designated nights per week, cannot apply for an 'Additional Hours' late licence from the Police. This means they cannot take advantage of one-off opportunities that arise outside the nights designated by the court. For example, premises granted late opening on Thursday, Friday and Saturday by the courts under an Article 44 Permitted Hours late licence cannot apply to the Police for an Article 45- Additional Hours late licence to open on a Tuesday night for a birthday party.

Appendix 2- Easter Hours Explained

Permitted Hours for the Sale of Intoxicating Liquor at Easter

Date	Hours for Sale of Intoxicating Liquor	Late Extensions & Other Information
Thursday	11.30am – 11.00pm	Finish at 12 midnight + 30 minutes drinking-up.
Good Friday	5.00pm – 11.00pm Off-Licences: 8.00am – 11.00pm 5.00pm – 11.00pm	No late extensions. 30 minutes drinking-up allowed. Premises can open earlier than 5pm for the sale of goods other than intoxicating liquor, e.g. lunches & soft drinks. Normal hours Off-licences attached to a public house (unless an Article 43 – ‘Alternative Permitted Hours’ for off-sales is in place)
Saturday	11.30am – 11.00pm	Finish at 12 midnight + 30 minutes drinking up
Easter Sunday	12.30pm – 10.00pm Off-Licences: Closed	No late extensions. 30 minutes drinking-up allowed. Off-Licences cannot open
Easter Monday	11.30am – 11.00pm	Normal extensions to 1am apply.

Appendix 3

Pub is the Hub

Pub is The Hub is an independent voluntary organisation, having 12 experienced Advisors in England, 1 in Scotland and 1 in Wales, but not currently in Northern Ireland. Since we were founded in 2002, our support for diversification schemes has successfully enabled hundreds of small pub businesses with a good licensee and staff to provide essential services and engaging activities, which the local neighbourhood feel has become an urgent need.

During those 17 years, over 500 projects have been helped and advised nationally and we have also just achieved our 125th completion which has been supported by small grants from our own Community Services Fund (established in 2013). Well over 30 different types of activities and services are now provided from Pub is the Hub schemes.

Social Isolation

From our experience, we have found that pubs can be a force for good, offering a warm, welcoming environment to meet up that is open long hours. Local, pub-based services and activities such as shops, community cafés, post offices, digital hubs, libraries, literacy courses community playgrounds, cinema and travelling theatre give people many more opportunities to join in with the neighbourhood, get about and socialise more and build their confidence - especially relevant with the elderly and young parents.

Such projects also successfully encourage local residents to visit the pub for many reasons other than drinking alcohol – sometimes for the first time – and to meet and make friends. Pub is The Hub has also recently launched ‘Join Inn – Last Orders for Loneliness’ in England, an initiative to combat loneliness and isolation through pub-based services and activities in a £100,000 two-year pilot programme that is being part funded by HEINEKEN UK.

The initiative was inspired by the Jo Cox Loneliness Campaign and will help pub owners, operators, local authorities and rural community organisations to collaborate and support pubs to provide vital social spaces for local residents of all ages.

Join Inn – Last Orders for Loneliness is providing a part-time advisory ‘Ambassador for Loneliness’ role that will seek to spread the best ideas from individual pub schemes across the regions through collaboration with supporting partners nationwide.

Access to Services

Everyone knows the scale of the task faced in local areas, with the constant closure of essential services and amenities such as shops, cash points or Post Offices, but very few actually do anything practical about it or to help. Good pub locations can play a vital role here - the key is being able to identify the local priorities, which is where Pub is The Hub come in.

Licensees are well placed to work closely with their neighbourhood and can make a huge difference if inspired to offer a local solution in these challenging times. Pub is The Hub projects reduce travelling time and carbon footprint and also offer opportunities for local suppliers and employment in the neighbourhood.

Local Community Services Champions Programme (LCSC)

Our Local Community Services Champions programme also helps individual local authorities and community organisations identify their services priorities and the areas in most need of services and activities and helps them work strategically with local licensees in these specific areas.

Over 12 LCSC programmes have been established from Cornwall to the Scottish Borders and strong relationships with local authorities have been forged over the years. Some LAs have made donations themselves into our Community Services Fund.

Conclusion

Any future strategy needs to take account of the impact of different policies on rural and urban areas, so that both these areas receive equal attention and fair and equitable support. For example, thriving rural communities are vital to the economy, but they face particular challenges around distance, sparsity and demography and it is important that in pulling together recommendations, all types of areas are considered fully, not just in one area or with one solution.

We consider that a small village pub can never make a fortune, but it is certainly a way of life for the licensees that run it. Most licensees who run Pub is The Hub schemes say that it has made the premises itself more appealing and helped the pub's business and employment of staff, but more than anything it has improved the social standing of the pub in the neighbourhood and brought people to the pub who would not normally have visited.

Helping communities see the pub as an intrinsic part of their lives, a place for conversation, watching a film, shopping or accessing education is a wonderful way of optimising resources for the benefit of everyone in the locality. We would be happy to provide case studies or examples of the social values created if this would be of assistance in the future.

Pub is the Hub would welcome and support any change in NI licensing legislation that will inspire pubs to help deliver a range of additional services or activities to their communities that enhance well-being, build sustainability and reduce loneliness in the local neighbourhood.