



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Licensing Bill: Hospitality Ulster

21 January 2016

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Fra McCann (Deputy Chairperson)
Mr Jim Allister
Ms Paula Bradley
Mr Gregory Campbell
Mr Sammy Douglas
Mrs Dolores Kelly
Mr Adrian McQuillan

Witnesses:

Mr Colin Neill	Hospitality Ulster
Mr Joel Neill	Hospitality Ulster

The Chairperson (Mr Maskey): I welcome Colin Neill and Joel Neill. Gentlemen, you know the routine, as you have been here before. I will leave it up to you to make your submission.

Mr Colin Neill (Hospitality Ulster): Chair and Members, thank you very much for the opportunity to come along this morning. It is fitting that, in the year of food and drink, we are talking about food and drink — or drink at least. I will hand over to my colleague, our operations director, to update and refresh you on some of the facts and figures about us.

Mr Joel Neill (Hospitality Ulster): Chair and Members, good morning and thanks very much. I will quickly give a bit of our background as an organisation and a couple of our facts and figures. Our organisation has been around since 1872. Hospitality Ulster operates within the hospitality and tourism industry. We are a membership organisation, made up of pubs, bars, hotels, restaurants, airports, major visitor attractions and almost everything in between. So, we obviously have a particular interest in this Bill. Our membership is diverse. We have five-star hotels, Michelin-star restaurants, world-famous pubs such as the Crown in Belfast and tourist destinations, right through to small, hardworking, family-owned businesses. These are local pubs, hotels and restaurants. They are community hubs in all actuality. We do not just represent the large, and we do not just represent the small.

We, as an organisation, absolutely recognise that alcohol is a controlled substance. In fact, we have led the drive for its responsible retail and promotion and continue to do so. You have already heard a lot of facts and figures today, and I will definitely not burden you with too many more. However, with the Northern Ireland hospitality and tourism industry being of special economic significance to our economy, it is important to point out that we sustain 60,000 jobs, 45,000 of which are in food and drink alone. Approximately one in every 20 jobs in Northern Ireland is in the hospitality and tourism sector.

We pay £653 million annually in wages, and this generates £88.4 million in tax. That is a total economic contribution of £1.1 billion annually. We are the eighth-highest employer, with a GDP higher than that of agriculture. It is also important to note that we, as an industry, pay £70.5 million in corporation tax. It is fair to say that we are a key element of the tourism offer here. Over 70% of visitors to Northern Ireland will experience what our sector has to offer. Stadiums and large-scale sporting events also routinely attract tourists to these shores.

Mr C Neill: Our national stadia play an important role in both our domestic and tourism economies. They do not just attract people to watch sport. They also act as part of the whole social network and are a very important visitor offer. They are not-for-profit. They are not privately owned entities. However, at the end of the day, they still have to be commercially viable and make a surplus, and food and beverage plays an important part in that offer.

The current situation of the occasional licence — a 5(1)(a), or what most people would refer to as a pub licence or a full-on trade licence — being transferred in is not really what it was designed for. The clue is in the name, "occasional", but they have been brought in repeatedly. There are all sorts of debates, and you have already gone through the whole application procedures. However, it also has consequences, right down to who can apply for the catering contract to provide catering in any of the stadia. To do the catering, you must have a liquor licence because you have to be able to transfer it in, and the person operating the licence has to be in charge of the licence. To answer a query that came up earlier about how it would work if the stadium had a licence and then a catering company came in, my understanding is that it will be the same as a leased pub, in that the licence is transferred to the tenant. The caterer would take charge of the licence, so that an actual person would be held responsible and brought to task if need be.

We do recognise that members have concerns where alcohol is involved. As Joel said, we have always said that it is a controlled substance and that we believe it has to be sold responsibly. I feel it would be better to have a bespoke licence for the stadia. It would give better protection to the residents and better controls, which the court could then apply. Therefore, we would support a licence being created for a very limited number of stadiums of national significance. This is not something that would be handed out willy-nilly. My understanding is — again it is lost in the mists of time, as I am old school, and to me it is still the Odyssey but is now the SSE Arena — that this was created because there was a need for it. There was no licence category for that, so a new licence was issued. We would see the very limited number of national stadium licences being the same.

We recognise that alcohol-related hospital admissions have risen significantly over the last 10 years. I think this is not about more alcohol being consumed — the trend is that less alcohol is being consumed — but about where and how it is consumed, and that is what has driven up the admissions. We have looked at how consumption is falling but home consumption has risen dramatically. Sixty-five per cent of all alcohol is consumed in the home, compared with 20% in the on trade.

We would class what is going on now, with the occasional licence going across, as being part of that 20%. Twenty-two per cent of people drink alone, so we support this Bill because it is much better to encourage people to go out to watch the game and socialise rather than sit at home on their own with a can of beer and the TV. In that way, you have much better control of consumption.

We do support this Bill, but we are disappointed that it has come forward in isolation. We have done an awful lot of work with all the Departments in the Assembly around the draft alcohol Bill that was already developed. That was consulted on extensively, proposals were drawn up, and it has not moved forward. We do understand that the Assembly has gone through difficulties. There have been challenges, and, maybe, ordinary business has not been progressed. But we do have a new start, a new deal for the Assembly. We do feel that this is an opportunity to give the hospitality sector the support it needs in the new deal, as well as to amend the Bill to include the stuff that has been drafted, is already fully consulted upon and is sitting ready to go, with a common and inclusive approach.

The hospitality sector faces major challenges, which include the rate of VAT being 9% in the Republic of Ireland and the decline of domestic tourism. In 2012 it was 18,000 trips down and in 2013 was 38,000 trips down, and that is a model that continues. We struggle in an economy where the disposable income in Northern Ireland is £97 per week per household. Compare that to Scotland, where the figure is £190. The UK average is £192. We have the challenging situation in which we struggle in a very cost-sensitive market. We will have increased costs coming down the road in the new pension regulations and the new national living-wage regulations, and, if we do not do something, those will cost jobs. I do not think they have to cost jobs. I think that, with a bit of help and support from the Assembly and this Committee, we can turn those into opportunities; we can embrace paying

more to people and make a better offer. This is not about selling more alcohol to the same people; it is about increasing the offer to attract people out of their homes and from drinking alone into sporting venues, pubs, clubs, restaurants and hotels.

You have had your Fresh Start: can we have a fresh start so we can move forward with the Bill, as an amendment, and help the industry deliver? It is an industry pregnant with opportunity and on the cusp of tourism. It is not here yet, but it is very easy to lose premises, and we are still doing that. You cannot spread the tourism outside Belfast because there is nowhere to go, and you will end up with just a city tourism offer.

I can have members touch on some of the issues that were in the previous Bill; they are in our evidence. I would like to touch on the issue of under-18s, which has been discussed. That has had all sorts of ramifications. It is not just wedding parties and such. If you have a political conference in a hotel, and there are under-18s there, it is illegal. If you want a church service, and a number of churches do run their services in hotels, it is illegal. If you want a jobs fair in a hotel function room, it is illegal. I could go on all day.

Then there is the enforcement. I thought it was interesting that the police said it was because of antisocial behaviour. If that was the reason, we should have dealt with the antisocial behaviour. It was not about the liquor licence. There just happened to be one. I am aware of other premises that have been referred to the Public Prosecution Service. I am aware of other premises that are just putting a marquee up in the car park, so now the police have no influence. They should have done something about the antisocial behaviour rather than use the licence. We have now created a situation where all sorts of family and social gatherings are illegal, and that will be enforced. There is a significant economic impact to that.

I am not saying that we are angels, and that we are running teenage discos just for the good of it. It is fair that kids should have somewhere to go. There is nothing wrong with a teenage disco, provided that the right controls are in place to stop antisocial behaviour so that there is no impact on people. Yes, it makes our industry commercially viable, because we are not just about alcohol; we provide places to socialise and for families to get together. All our events should not have to be around drink. We should be able to choose, but you cannot just de-license part of your building today and then re-license it tomorrow. It is not that simple. Going through the courts, as some of you will know, for the slightest amendment to licensed premises — widening a door, for example — will probably cost you about £5,000 for the court procedure, never mind anything else.

I will touch on a few things very briefly, because I appreciate that we are running over time. We would like help for small pubs on their late nights. We have so many conditions in our legislation that a small country pub cannot open after 11.00 pm unless it has live entertainment. You can have a country pub with a dozen people in it. Farmers coming in from the fields in the evening — I come from a farming family — are maybe having a pint. It is their only chance in the day to speak to somebody before they go home.

We have asked numerous times for extension of the drinking-up time. It is not about selling more alcohol. It is because we have taxi legislation; we have "terminal rush hour", to use the technical term. At the moment, it is everybody out at 1.00 am. We have half an hour of drinking-up time until 1.30 am. If we widen that, we can relieve tensions. We have asked for a 2.00 am licence for a number of occasions. We are not looking for deregulation in any shape or form. We are saying that there are a very limited number of occasions when events could go on later to encourage people out of their homes.

We have asked for entertainment licences and liquor licences to be tied together, because an entertainment licence can go on until 6.00 am. As some of you will know from Belfast City Council, there have been historical problems there, and it is currently us putting the pressure on the trade to close early, not the police. We do not want illegal trading.

There are issues around Easter opening, and we respect that; but I think that there could be movement there. There are anomalies like the Thursday and Saturday before Easter, when you have to shut early. They are not Easter; they just happen to be tied up with it.

The responsible retailing code has been very effective in clamping down on irresponsible promotions, and we have sought to give it legal standing so that irresponsible premises are penalised. That has not happened either.

I will not labour the point. I do not mean to offend anybody, but I think that the inaction of the Assembly is encouraging irresponsible promotions, because home drinking is rising and rising, and there is no control there.

The Chairperson (Mr Maskey): Thank you, Colin and Joel. The Committee has made clear its view that we should have had a licensing Bill here a long time ago, but that has been said repeatedly. Just for the record, we have sought legal advice and the advice of the Bill Office on the scope of the Bill and what that might allow, because there have been one or two other suggestions put forward to the Committee, whether around the Drumbo racetrack or alcohol-free discos. We have asked Legal Services for a view on how we might go beyond, if we can, the scope of the Bill. Essentially, what you are saying is that, notwithstanding the intent of the provision in the Bill from the Member, we should use the Bill to address the other areas of concern. Obviously, we will have to seek advice on the scope of that.

Mr Allister: Coming back to matters within the ambit of the Bill, you were here when the issue was discussed with the PSNI and you heard what its legal officer said. You say that a licence granted to a stadium under this legislation would transfer to any tenant who was providing hospitality.

Mr C Neill: What happens now, and I assume that the technicalities should be the same, if I owned a pub — I was going to say, "and leasing it to yourself", but I know that you would not want to be a tenant leasing a pub, so I will lease it to one of the other members — the legal responsibility of the licence transfers to the tenant. On an occasional licence, the person running the bar must be the licence holder, so you cannot bring in an occasional licence and then let —

Mr Allister: Yes, I understand.

Mr C Neill: It is the same with bringing a tenant into a pub. There is a redress in the tenancy agreement whereby the licensee brings the licence into disrepute. In that case, you can take it off them and kick them out.

Mr Allister: But responsibility and ownership pass, in effect, from the stadium and those who run it to those who run the hospitality.

Mr C Neill: Yes. Basically, as it is now, the caterer has responsibility —

Mr Allister: If the ambit of the Bill is to restrict the licence to match days and to the six available hospitality extensions, is that attractive to a tenant?

Mr C Neill: It is not a tenant as such; it is a catering contract. I will not name our current caterers, but they have a contract to come in on match days and run the bars. They own the catering contract for Ravenhill, which is on a premises with a 5(1)(a) licence that they can transfer in. In fact, no one else could tender for that, for there is no other caterer on a 5(1)(a) licence; it even limits who can tender to do their catering contract.

Mr Allister: So they operate under their own licence.

Mr C Neill: Yes. They bring in their own occasional licence.

Mr Allister: So, in that strict confine, do you need this Bill at all?

Mr C Neill: Absolutely. You are repeatedly transferring an occasional licence to the same venue; it was never designed for that purpose. You also have a licence that, because of the good graces of Ravenhill, is restricted hours. Technically, they could go to one, and you could not stop them. I believe that the Bill would give the stadium a firm footing because it is part of their offer, but it would also allow, where the Bill can be shaped, to have time restrictions, residents' concerns involved, and, indeed, members can, from the evidence, come up with the restrictions that should be in it.

That is a much better system. It is a custom Bill and a custom licence for a very limited number; we would see it for the three national stadia. I believe that, in the Republic of Ireland, the legislation names the stadium that can have it so that it can never be used —

Mr Allister: There is some suggestion that that might happen here.

Mr C Neill: It gives a licence that is bespoke to the premises, and it can be taken off them if they misbehave.

Mr Allister: The conclusion to your written submission says:

"Hospitality Ulster supports amending the Northern Ireland Liquor Legislation to provide a licensing category for Outdoor Stadia of National significance, with suitable conditions that ensure the protection of residents"

What have you in mind?

Mr C Neill: The residents have talked to you, and there have to be measures in it —

Mr Allister: Having heard the residents, what conditions do you suggest?

Mr C Neill: I suggest that there probably should be a limited number of late match nights. I think that the conference element in the licence, which allows them to provide hospitality for conferences, is a different entity from a match night. Those people will arrive by taxi and will drive away.

Mr Allister: Are they not limited in number anyway?

Mr C Neill: At the minute, they just keep bringing in an occasional licence for —

Mr Allister: An occasional licence?

Mr C Neill: I would say that members taking on residents' concerns and adding the clauses —

Mr Allister: If this Bill governed the stadia, could they still do their conferencing by occasional licence?

Mr C Neill: You can put a licence on top of a licence. However, you have to go to court to get it, and people could object. I have spoken to one of the residents myself. The residents' group is only newly started. There are opportunities for it to object even to occasional licences; that has been ongoing.

Mr Allister: How would you feel about a condition in the Bill that would prohibit access to an occasional licence?

Mr C Neill: That could be fair, provided that the Bill is balanced and is economically viable and makes sense.

Mr Allister: In other words, the licensing could only ever be for match days plus the six hospitality events.

Mr C Neill: Or if the Committee felt, in this process, to add other things such as a conference-type facility. The stadium has facilities there, and it is not unknown for sporting bodies now to have sports conferences and so on.

Mr Allister: That would have to be done with an occasional licence.

Mr C Neill: No, again, if members felt that amending the Bill —

Mr Allister: As the Bill stands, it would have to be done with an occasional licence.

Mr C Neill: Yes.

Mr Allister: So, there is no prohibition. If there was a prohibition, bearing in mind residents' concerns that this thing is going to mushroom out of control, would that be a reasonable stance?

Mr C Neill: You could put a prohibition in. However, I feel that the Committee should address the other commercial elements of the offer for the stadium. These are the three national stadiums, if you like, and they have to be commercially viable. Food and beverages are an important part of their offer.

Mr Allister: They are still sporting stadia.

Mr C Neill: They absolutely are, but sporting stadia now are no longer about standing and watching a match; they are about developing all sorts of ancillary, but related, events as well. I am sure that there are many sports stadiums that run sports conferences. A rugby stadium will want to run conferences about rugby, for example, or have awards nights and will need facilities to do that.

The Chairperson (Mr Maskey): There are no more questions from members. They have all read your submission and heard your contributions this morning, Colin and Joel. On that basis, we are happy that we have heard your arguments and your pitch to extend the Bill to cover a wide range of other issues. As I said earlier, we are seeking advice on what we might be able to do about the scope of the Bill. If we need any further clarification, we will come back to you as normal. If you want to add anything, feel free to come back to us. Is there anything that you want to say to wrap up the session?

Mr C Neill: I thank the Committee for the opportunity. I was either really good or really poor that I did not get any questions.

Mr Allister: You got a couple. *[Laughter.]*

Mr C Neill: I cannot stress enough that the hospitality and tourism economy, which the stadia are part of, is a vital part of our economy now; it is our future economy and we are stifling it by inaction. The industry has grown up a lot over the past five to 10 years. Responsible retailing is, and will remain, key, but we need to recognise that it is a proper industry.

The Chairperson (Mr Maskey): You can safely accept that the number of questions does not reflect the interest in the issue. As I said in my opening remarks, the Committee is on record as saying that we wanted to have the Licensing Bill in front of us to deal with it. Some people may have different views, as they are entitled, but we wanted to look at a whole range of issues relating to the Bill, many of which you have identified, not only today but before today. We are having to focus on the Bill and there have been quite a number of evidence sessions; we had three today, as you know, so there is no lack of interest in the matter. As local representatives, we are anxious to address the concerns, particularly of local residents. At the end of the day, those are the people we are supposed to represent; we do not represent the industry or the grounds.

Mr C Neill: I could not agree more, Chair, and that is why we highlighted the residents. Responsible retailing of alcohol is not just about a promotion; it is about its impact on other people.

The Chairperson (Mr Maskey): You were talking about live bands earlier. I would have needed to check the pulse of some of the outfits that I have seen. *[Laughter.]* Thank you for helping us in our deliberations this morning.