

# SUPPLEMENTARY STATEMENT OF LICENSING POLICY (NO.1)

## IRRESPONSIBLE PROMOTIONS AND PRICE VARIATIONS

"Drinks promotion" means in relation to any premises, any activity which promotes, or seeks to promote, the buying or consumption of any alcohol on the premises [2005 Act, Schedule 3, Paragraph 8(5)].

Promotions can occur in relation to both on and off sales.

A drinks promotion which involves a variation in pricing will be effected by the requirements of Schedule 3, Paragraph 7 - "Pricing of alcohol"

Schedule 3, Paragraph 8(2) (subject to the requirements of Paragraph 8(3)) states that a drinks promotion is irresponsible if it falls within the descriptions listed in Schedule 3, Paragraph 8(2).

Paragraphs 7, 8(1), 8(2) & 8(3) are reproduced in full at the end of this Supplementary Statement.

An irresponsible drinks promotion must not be carried on in or in connection with any premises [Schedule 3, Paragraph 8(1)].

Currently, there is no definitive guidance as to what constitutes an "irresponsible drinks promotion". Examples of drinks promotions can, however, be considered individually against the legislative criteria to assess if the promotion is irresponsible in terms of the Act.

The following list is of promotions which have or are occurring locally and which the Board feels are in breach of the legislation. The list is not exhaustive, so not being on the list does not mean that a promotion is necessarily in compliance with the Act.

Following the list of irresponsible drinks promotions is a list of activities that, in the opinion of the Board, would be in breach of the pricing of alcohol requirements of Schedule 3 paragraph 7.

### A. Irresponsible drinks promotions

1. **All inclusive offers.** For example, a party night promotion, where the purchase of a ticket or payment of an admission charge entitles the purchaser to access to a free bar. This promotion involves the supply of unlimited alcohol for a fixed charge and therefore Schedule 3, Paragraph 8(2)(d) applies.
2. **Watch the match and if your team wins get a free pint of beer.** For example, a promotion that requires a customer to be in the premises at the beginning of a televised sports event and at the end of the contest dependent on the result the person may be given a free pint of beer. This promotion is offering alcohol to be consumed on the premises as a reward for being in the premises and therefore Schedule 3, Paragraph 8(2)(h) applies.
3. **Double up.** For example, a premises offers customers the chance to double up by offering a double measure for an extra 50p (in addition to the price for a single measure). This promotion offers an extra measure of a alcohol at a reduced price on the purchase of a measure of alcohol and therefore Schedule 3, Paragraph 8(2)(c) applies.
4. **Student nights.** For example, a night club advertises/distributes flyers giving details of the venue, entry fee and stating that the first drink is free. The free drink is offered as a reward for entering the premises therefore Schedule 3, Paragraph 8(2)(h) applies.
5. **Drinks vouchers.** For example, a night club advertises/distributes flyers giving details of the venue, entry fee and stating that five £1 drink vouchers will be given to the customer on entry. The vouchers can be handed over the bar in exchange for a drink. This constitute giving alcohol as a reward for entering the premises therefore Schedule 3, Paragraph 8(2)(h) applies.

6. **Drinks as prizes / rewards.** For example, a quiz night or competition where alcohol is offered for consumption on the premises as a prize for winning or a reward for taking part. Schedule 3, Paragraph 8(2)(h) applies.
7. **Reward card.** For example, on application by a customer a points card is issued by a premises. Every time a purchase is made by the card holder in the premises the card is credited with points. The points are given a cash value and can be claimed against the price of alcoholic drinks. This constitutes giving alcohol as a reward for frequenting the premises therefore Schedule 3, Paragraph 8(2)(h) applies.
8. **Free bottle of wine.** For example, a restaurant offers a set meal for two with a free bottle of wine for £50 (excluding Saturdays). This constitutes giving alcohol as a reward for frequenting the premises therefore Schedule 3, Paragraph 8(2)(h) applies.

## B. Pricing of Alcohol

1. **Offering the same drinks at different prices in the same premises.** For example, prices in the lounge bar of a pub being different than the prices in the public bar. This would constitute a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
2. **Out of code discount .** For example, offering cans of beer with a best before date that has expired while selling cans of the same brand that are within date code at a different price. This would constitute a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
3. **Discount vouchers .** For example, a promotion where vouchers or tokens which are sold or given to potential customers where by they are entitled to a reduction in the price of certain drinks while other customers still require to pay the full price. This constitutes a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
4. **Discount to certain customers.** For example, a promotion that offers a discount to students or OAPs while other customers pay the full price for the same drinks. This constitutes a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
5. **Student nights.** For example, a night club advertises/distributes flyers giving details of the venue & entry fee and stating that on a Friday or Saturday night, drinks are £1 all night\*. The asterisk gives the qualification for the promotion which is \* *with student card*. The price of drinks is varied for students but not other customers therefore this constitutes a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
6. **Drinks vouchers.** For example, a night club advertises/distributes flyers giving details of the venue, entry fee and stating that five £1 drink vouchers will be giving to the customer on entry. If the voucher merely entitles the customer to a discounted drink i.e. the customer uses a voucher and is only charged a £1 then unless that drink is that price for all customers then this constitutes a variation in pricing and would not comply with the requirements of Schedule 3, Paragraph 7.
7. **Cheaper drinks throughout the week.** For example, a pub has a drinks promotion where the cost of all drinks is reduced from 12.30pm on a Sunday until Friday at 8pm. Drinks are increased to " full" price from 8pm on a Friday until closing time on Saturday night. This constitutes a further variation in drinks pricing. A variation in pricing cannot occur except at the beginning of a licensing period so drinks cannot change price at 8pm if the pub is open prior to this time selling alcohol and the variation must last a minimum of 72 hours so the variation whereby the prices increase on the Friday and Saturday does not provide the minimum 72 hours time period. This variation in pricing would not comply with the requirements of Schedule 3, Paragraph 7

### *Pricing of alcohol*

7 Where the price at which any alcohol sold on the premises is varied—

- (a) the variation (referred to in this paragraph as “the earlier price variation”) may be brought into effect only at the beginning of a period of licensed hours, and
- (b) no further variation of the price at which that or any other alcohol is sold on the premises may be brought into effect before the expiry of the period of 72 hours beginning with the coming into effect of the earlier price variation.

### *Irresponsible drinks promotions*

8 (1) An irresponsible drinks promotion must not be carried on in or in connection with the premises.

(2) Subject to sub-paragraph (3), a drinks promotion is irresponsible if it—

(a) relates specifically to an alcoholic drink likely to appeal largely to persons under the age of 18,

(b) involves the supply of an alcoholic drink free of charge or at a reduced price on the purchase of one or more drinks (whether or not alcoholic drinks),

(c) involves the supply free of charge or at a reduced price of one or more extra measures of an alcoholic drink on the purchase of one or more measures of the drink,

(d) involves the supply of unlimited amounts of alcohol for a fixed charge (including any charge for entry to the premises),

(e) encourages, or seeks to encourage, a person to buy or consume a larger measure of alcohol than the person had otherwise intended to buy or consume,

(f) is based on the strength of any alcohol,

(g) rewards or encourages, or seeks to reward or encourage, drinking alcohol quickly, or

(h) offers alcohol as a reward or prize, unless the alcohol is in a sealed container and consumed off the premises.

(3) Paragraphs (b) to (d) of sub-paragraph (2) apply only to a drinks promotion carried on in relation to alcohol sold for consumption on the premises.