



Home Office

**Review of the Social
Responsibility Standards for
the production and sale of
Alcoholic Drinks**

Volume 1

Confidential

KPMG LLP

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This report contains 66 Pages

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1 Introduction

KPMG LLP has been appointed by the Secretary of State for the Home Office through the Alcohol Strategy Unit (ASU) to undertake an independent review of the effectiveness of the alcoholic drinks industry's Social Responsibility Standards in contributing to a reduction in alcohol harm in England. For this assignment, KPMG worked in partnership with Lancaster University.

1.1 Terms of Reference

The agreed terms of reference for the review are:

- To what extent are the Standards adhered to?
- To what extent are the Standards fit for purpose and effective drivers for socially responsible practice?
- How can social responsibility be best secured across the alcohol industry?
- What is the impact of the Standards in contributing to a reduction in alcohol-related harm?

1.2 The Scope of the Review

The overall aim of this study is to review the effectiveness of the alcohol industry's Social Responsibility Standards in contributing to a reduction in alcohol harm in England

This independent review has:

- Consulted with the various stakeholders and sought their views as to whether they think the industry social responsibility standards are fit for purpose and an effective driver for positive change;
- Assessed the extent to which 'Social Responsibility Standards for the Production and Sale of Alcoholic Drinks in the UK' is being adhered to, and assessed the role of the Standards in changing behaviour, by encouraging all organisations involved in the production, marketing and selling of alcoholic drinks (not just members of the organisations promoting these standards) to undertake these activities in a socially responsible manner;
- Within the context of wider factors influencing alcohol-related harms, considered the (actual and potential) impact of the Standards in contributing to:
 - a reduction in alcohol-related health harms
 - a reduction in alcohol-related crime and disorder
- Presented evidence-based and specific recommendations for how best to ensure socially responsible practice across the industry (if change is deemed necessary). The recommendations involving legislation or otherwise set out the advantages and

disadvantages of each approach; the assessment of self regulation considers some relevant examples.

1.3 Methodology

To address the terms of reference we have compiled evidence using quantitative and qualitative primary research with industry and non-industry stakeholders. All of the Standards' signatories were consulted, as have a sample of their member organisations. Many non-industry stakeholders with an interest in the Standards have been interviewed, and the ASU has convened two meetings with other government departments including DCMS, DBERR, DoH, DfT and DEFRA.

The visits to eight locations across England have provided a substantial body of evidence. They were selected as being representative of the diverse environment in England in which the Standards are expected to operate. The boundaries of the locations are based on local authority districts. In alphabetical order the locations were:

- Coventry;
- Hackney;
- Harrogate;
- Manchester;
- North Norfolk;
- North Tyneside;
- Restormel (Newquay); and
- Swindon.

To assess how the Standards were working in practice, in each location a team of six observers, an observation lead and a KPMG location lead carried out a series of covert observations across the local alcohol industry over a period of five days (Thursday to Monday) between 20 February and 3 March 2008. The observers were selected as typical of the general public who would use the types of premises visited.

In order to standardise the observations, all of the observers attended a training workshop and were issued with a training manual prior to the location visits. The training was conducted by the Lancaster University observation leads who are all experienced researchers in the alcohol field and quality assured by the KPMG team. There were separate on and off-trade checklists, agreed with the ASU used to collect the primary data, they were adapted with permission from Alasdair Forsyth, Glasgow and Kathryn Graham ©Kathryn Graham, Centre for Addiction and Mental Health 2000, Canada. During the observation of premises the observation team worked in pairs and completed individual checklists. When the data was analysed the checklists were combined to give a composite result to reduce any possible bias. A KPMG location lead conducted quality assurance visits of the observations in the locations.

The premises to be visited were selected to be representative of the retailers available to the general public in the particular location. Some local non-industry stakeholders provided suggestions of sub localities to target. The location teams used this information locally to ensure they observed a representative sample of off and on-trade premises.

The observation visits were structured to take place at different times of day and night so that the quiet times as well as the busy periods were covered. This has included observing procedures for closure, and for on-trade venues, observation of the dispersal measures employed. Some sites were visited several times during each location review.

Overall, across all the locations 597 separate premises were visited during the observation period, some of them more than once. Overall 726 observations were conducted.

Parallel to the covert observations, the views of local key stakeholders, both industry and non-industry, within each location have been sought to provide information on the context in which the local trade is operating and to gather views on the effectiveness of the Standards in reducing alcohol harm.

A summary of the approach for delivering the Review is set out in the table below.

1.3.1.1 Table 1: Delivery of the review summary approach

Core review questions	Review activity					
	Consultation with stakeholders and observational studies				Desk Research	Analysis of secondary data
	National level industry stakeholders	Local level alcohol retailers	Trade associations and organisations	National and local level stakeholders		
To what extent are the Standards adhered to?	Interviews	Interviews Observational studies	Interviews	Interviews		✓
To what extent are the Standards fit for purpose and effective drivers for social responsible practice?	Interviews	Interviews Observational studies	Interviews	Interviews	✓	
How can social responsibility be best secured across the alcohol industry?	Interviews	Interviews	Interviews	Interviews	✓	
What is the impact of the Standards in contributing to a reduction in alcohol-related harm?	Interviews	Interviews Observational studies	Interviews	Interviews	✓	✓

1.4 Sources of Information

In addition to the primary sources of information provided by the consultation exercise and the location visits, a range of secondary information sources were used. A list of these is provided in the Technical Annex.

1.5 Limitations to the Scope of the Review

The review does not include a review of related initiatives such as the Drinkaware Trust, nor of the codes of the Committee of Advertising Practice, or the Portman Group, except where these are the focus of the 9 key principles of the Standards.

As the core of our approach has been the observational visits, the inevitable consequence is that we have focussed particularly on the operation of the off-trade and the on-trade, more than that of the producers. The evaluation of the impact of Standards on the producers has been limited to the observation of the appropriateness of their packaging and labelling and the use of their products in the off and the on-trade. We have also captured their views during the consultation phase of the review.

As the observations were covert, it was not possible to definitively confirm the exact age of drinkers in all cases, so the instances of reported under-age drinking are based on an assessment of age, plus other observed factors. As can be seen in the checklists, observers were asked to identify people who were clearly underage. In some instances, where children as young as nine or ten, were attempting to gain alcohol by proxy sale, it was very clear. In other cases, there were corroborating factors observed, for instance, the observation of young girls in a queue for a nightclub, chanting their dates of birth and working out their “star signs”. It is also relevant that one member of the team was 18 and was not challenged once throughout the observation period.

There were also instances of young people who appeared to be under the legal age for alcohol consumption, observed drinking outside particular off-trade outlets. In these cases, it was not possible to identify the source of the alcohol.

The quantitative data has been aggregated by venue type, on-trade and off-trade and in each location. Occurrence of adherence or non adherence to checklist prompts related to the Standards principles are contained within. There has been no attempt at statistical analysis of this data.

1.6 Confidentiality and Disclaimer

This report is strictly confidential and has been prepared for the Home Office. It is issued in accordance with the terms of engagement agreed by the Home Office ASU and KPMG LLP. As identified in our letter of engagement the addressee for this report is the Home Office (“the Addressees”).

This report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Addressees for any purpose or in any context. Any party, other than the Addressees who obtain access to this report or a copy and choose to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP owes no duty to any parties other than the Addressees, whether in contract or in tort or under statute or otherwise (including negligence) in respect of this report, for its work or for any judgments, findings, conclusions, recommendations or opinions that KPMG LLP has made.



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1.7 Acknowledgements

We would wish to record our appreciation to all those who contributed to this review and particularly to all the stakeholders with whom we made contact during our work, and who gave so willingly of their time.

Special thanks go to the Lancaster University location leads and their team of dedicated observers who provided much of evidence base for this report.

2 **Executive Summary**

The Home Office's Alcohol Strategy Unit commissioned KPMG LLP to carry out an independent review of the effectiveness of the alcohol drinks industry's Social Responsibility Standards in contributing to a reduction in alcohol harm in England. The terms of reference were:

- To what extent are the Standards adhered to?
- To what extent are the Standards fit for purpose and effective drivers for socially responsible practice?
- How can social responsibility be best secured across the alcohol industry?
- What is the impact of the Standards in contributing to a reduction in alcohol-related harm?

The Social Responsibility Standards were launched in November 2005 and coincided with the implementation of the Licensing Act. They were signed by 16 trade associations. They draw together industry good practice, advice and codes of conduct. Adherence to the Standards is voluntary except for those aspects relating to legislation, advertising and the Portman Group code of practice. Recently, in December 2007, the Government has prioritised this issue with the adoption of a Public Service Agreement aimed at reducing the harm caused by alcohol and drugs.

The Government's alcohol strategy identifies the drinks industry as a key partner in preventing alcohol problems and reducing levels of harm. Alcohol misuse is calculated to cost the NHS 1.7billion, and there is growing concern about the level of so called "binge drinking" and associated crime and disorder.

KPMG has consulted extensively with a wide range of stakeholders in the alcohol industry including all signatories to the Standards and a selection of their member firms. Further, we have consulted with many organisations outside the industry, from other Government departments with a role in reducing alcohol related harm, to local stakeholders such as local authorities, the police and NHS bodies. We conducted observation studies over a five day period in eight locations across England, visiting nearly 600 premises, both on and off trade.

In our consultations industry stakeholders have told us that:

- The Standards are seen as the minimum level of compliance. However, there are few explicit references to the Standards in their own codes and training material. They are confident about compliance with the Portman Code, although suggest that it is more difficult for smaller companies to comply;
- The Standards need updating. Many large companies have taken initiatives to support socially responsible drinking, but typically they are incidental to the Standards. Any revision to the Standards could make roles of industry and non-industry stakeholders clearer;
- Self-regulation is the best way forward. The current legal framework is not applied consistently across local authorities and the police. Commercial discipline is the biggest driver to good practice; and

- Too much blame is being attributed to the alcohol industry in causing harm. It is a multi-faceted problem with an underlying “cultural issue” to tackle. Other initiatives such as consumer education need to be promoted.

At a national level non-industry stakeholders:

- See the Standards as a voluntary code with a lack of enforcement, and therefore having little impact. Member firms not signing the Standards is a weakness;
- Suggest the Standards are not fit for purpose because they are overridden by commercial drivers. Generally, the Portman Code is seen as being more valuable, but producer action e.g. loss leader products, raising alcohol content, is heavily criticised;
- Are sceptical about the "socially responsible practices" of the alcohol industry. The "polluter pays" principle is favoured for raising local funding but there is less agreement about its application; and
- Suggest awareness of the Standards is too low and that legislation dominates. There is a lack of independent monitoring to secure compliance. More data sharing and partnership working is required at a local level.

At a local level non-industry stakeholders:

- Suggest that awareness of the Standards is generally low. Good practice and behaviour locally is attributed to drivers other than the Standards e.g. legislation, police campaigns;
- See a voluntary code without financial sanctions as unlikely to be effective. There is a need for a clear implementation framework;
- Suggested that members of signatory organisations to the Standards are more likely to be compliant and enthusiastic. There are difficulties communicating effectively with some of the off-trade. Retailers are unlikely to comply without enforcement e.g. condition of Licensing Agreement; and
- Can see no causal link with good or bad practice locally. Some systems are being developed to monitor compliance with the Licensing Act but more consistency is required.

Our observation studies in eight locations have revealed many irresponsible and harmful practices. Moreover, these poor practices are more prevalent in venues frequented by people apparently under the age of 18. For all types of organisation and for all types of establishment we observed significant inconsistency of practice both between and within the locations. A detailed analysis of the findings is presented in this report. Practices that we have observed frequently include:

- People who appear to be under-18 frequently being admitted to age restricted venues in which they cannot purchase alcohol legally;
- the promotion of alcohol through low price offers, inducements by DJs to consume greater quantities, and glamorisation through links with sexual imagery;

- encouragement to drink more and faster through shots and shooters being “downed in one”;
- sales to blatantly intoxicated people;
- several health and safety issues inside bars and clubs e.g. overcrowding, broken glass and spilled alcohol;
- poor dispersal practices (although there is some very good practice);
- several instances of anti-social behaviour and low level crime (fights and assaults, urinating and vomiting in public places, criminal damage)

We have concluded that currently the Standards are not being consistently adopted and applied across the whole of the alcohol industry. In the current trading climate the commercial imperative generally overrides adherence. Inducements to people to drink more and faster, to allow under-age people entry to restricted premises, and blatantly serving intoxicated people are evidence of this conclusion.

The Standards are currently having negligible impact in either reducing bad practice or promoting good practice on the ground. They lack focus, they are a confusing mix of regulatory and voluntary provisions, and they are not cross referenced to the Licensing Act. In driving responsible practice they are ineffective because of a lack of consistent monitoring and enforcement. We have not assembled any evidence which suggests there is any direct causal link between the impact of the standards and a reduction in alcohol-related harm.

We have developed and explored some options for Government to put in place a more effective mechanism to help ensure the alcohol drinks industry and non-industry organisations address the causes and impact of alcohol harm. However, we have not carried out a full options appraisal. In considering the way forward we see the following criteria as important for any new model:

- 1) It should enhance the partnership approach between the industry and non-industry stakeholders at both a national and local level.
- 2) Any requirements placed on the industry should be nationally and locally enforceable in a consistent way, and capable of independent external monitoring.
- 3) Any non-statutory requirements placed on industry should have clear links (where appropriate) to the legal framework for the industry
- 4) Any change to the Standards should encompass all parts of the industry and not be limited to signatory members.
- 5) Any future initiative should seek to put consumers (and their peers or guardians) in a knowledgeable and hence influential position to support responsible drinking

In relation to several features – the role of the Social Responsibility Standards (as revised), the balance between self-regulation and intervention, enforcement, and funding – we have considered alternative models, taking account of regulatory models in other industries and sectors.

We have considered a self-regulation model, a local government-led approach working to national standards, and a new regulatory body or agency.



Whilst this review has noted the excellent work done by many organisations, especially producers and their representatives, to demonstrate the principles of self-regulation, it has also noted the many poor practices, particularly in the on-trade, going unchecked. Although responsible producers and retailers would be capable of drawing up revised Standards we are not convinced that they could do so in a timely fashion which would command the support of the whole industry.

A new agency or a new regulatory body, possibly with enforcement powers and a range of sanctions to oversee and monitor practice within the industry, may offer an independent solution. However, the creation of such a body would be time-consuming and therefore may not necessarily be the next immediate step, but could be held in reserve if other initiatives are not seen to be successful in making progress. This option cannot be ruled out on the basis of evidence from this review.

We have concluded that the Standards should be strengthened and enforced more effectively by Government, industry and other agencies working more closely in partnership at a national and local level. Further, we have concluded that Government should spearhead this initiative in the short term but could place local government in the pivotal role as implementer. We see a necessary pre-condition of this model being a set of mandatory conditions and other guidance that should be put in place locally to help ensure compliance. Therefore, our preferred option is a model based on a local government led approach, but working to national standards and conditions laid down by central Government.



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3 Background

3.1 The Context for the Review

The Government's alcohol strategy ¹for the UK has identified the drinks industry as a key partner in preventing alcohol problems and reducing levels of harm. The following key statistics are illustrative of the challenge:

- Alcohol misuse is calculated to cost the NHS 1.7billion;
- In 2006, the UK rated third highest across 25 EU member states for the number of drinks consumed in one sitting, with 24% of residents drinking five or more drinks on a day when they drink alcoholic beverages; and
- The UK has one of the highest rates in the EU for 15-16 year olds being admitted to hospital or an emergency room due to alcohol misuse.

There is growing concern about the level of so-called “binge drinking”, in the UK today and the impact this has on the individual and society as a whole, especially in relation to its effect on health and on crime and disorder offences.

In December 2007, PSA Delivery Agreement 25: *Reduce the harm caused by alcohol and drugs*, was published as a target for government action. This aims to reduce the harm caused by drugs and alcohol to:

- The community as a result of associated crime, disorder and anti-social behaviour;
- The health and well-being of those who use drugs and drink harmfully; and
- The development and well-being of young people and their families.

3.1.1 The role of the Standards

The Standards document marks a step forward in partnership working between government and the drinks industry. In November 2005, a group of sixteen trade associations launched the Social Responsibility Standards in partnership with the government and other agencies. The document draws together existing industry good practice, advice and codes of conduct. The Standards were perceived by the industry to be a point of “ready reference” for local government officials, the police and trading standards so they could see what the industry was doing to promote responsible drinking and therefore complement the work of these other bodies. The timing of the release coincided with the implementation of the Licensing Act 2003.

Adherence to the Standards is voluntary, apart from (1) those relating to advertising and (2) the Portman Group Code of Practice, both of which are binding and tightly regulated. The Standards represent a statement of intent and comprise nine core principles committing

¹ Safe Sensible and Social. June 2007



industry to show social responsibility. They do not supersede or override either their signatory organisations' own codes or those of their member companies. There are several organisations that have opted not to formally commit to the Standards, for example J.D Wetherspoons, retailers such as Aldi, Lidl, Costco and Netto, and numerous (usually small) independent businesses.

Since the Standards were published, the operating environment for the alcohol industry has toughened, both in the UK and globally. These challenges include an increasingly competitive economic environment, with declining alcohol sales, and greater external regulation by the authorities. It is likely that the challenges in the UK will intensify with the recent announcement of tough police powers to prevent underage drinking, wider use of parenting contracts, and a "yellow card, red card" scheme under which pubs and clubs could lose their licenses. There will also be a new public information campaign directed at specific groups of binge drinkers with the intention of reducing individual consumption to "safe" levels.

Against this background the industry is being challenged to meet not only legal requirements but also the corporate social responsibility agenda as set out by the Standards. Launching and publicising the Standards was the first challenge for the industry. This review focuses on the adherence to the Standards across the industry, both in terms of the individual members' policy commitments and the observation of the Standards in practice at point-of-sale in towns and cities across England. The industry has to show that self-regulation, when fully supported and acted up, actually does work.

4 **The Results of Consultation with Industry Stakeholders**

4.1 **Introduction**

This independent review has consulted with various stakeholders and sought their views as to whether they consider the alcohol drinks industry Social Responsibility Standards are fit for purpose and an effective driver for positive change. This consultation has included a wide range of national and local industry and non-industry stakeholders. A full list of all those invited who participated is available in the Technical Annex

Respondents were invited to comment on the four key questions:

- To what extent are the Standards adhered to?
- To what extent are the Standards fit for purpose and effective drivers for socially responsible practice?
- How can social responsibility be best secured across the alcohol industry?
- What is the impact of the Standards in contributing to a reduction in alcohol-related harm?

In addition to the evidence from interviews, the Wine and Spirits Trade Association (WSTA) made a written representation to the review on behalf of all the signatories.

4.2 **The views of the signatory members and their members**

In this section we provide a summary of the views of the 16 signatories to the Standards, their members, and a cross-section of membership organisations. Several large companies are members of more than one signatory organisation.

All the signatory organisations promote and represent their members' interests. Most have their own codes of practice which defines their membership. Some, such as the Portman Group, the Advertising Association, the Scottish Whisky Association (SWA) and the British Institute for Inn-keeping (BII), the British Beer and Pub Association (BBPA) have sanctions for non-compliance with their codes, and are each backed by their own independent complaints body. Summaries of existing codes of signatories, such as the Portman Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks and the code of the Committee of Advertising Practice appear as annexes to the Standards. Also, those signatories whose members include multi-national companies support them to meet international guidelines.

The industry is not homogenous. There are several sub-sectors e.g. producers, the off-trade and the on-trade; large companies; the small independent and the multi-national interest. Added to this is the fact that a proportion of the industry is not within any member organisation at all. Against this background, it may be regarded as a real achievement to have reached a level of consensus to produce a Standards document which so many have signed.

Given the background of the industry, it is not surprising that during the consultation there emerged a divergence of views as to the role, the status and the future of the Standards. This

dissonance between the signatories was also reflected in the differences in practice as to the extent to which the Standards document was disseminated, and its implementation monitored and reviewed. The dissemination of the Standards to members was not uniform across the signatories, and few circulated the whole document. Several, like the Advertising Association, only circulated the sections which were relevant to their particular focus or responsibility. Others, like the British Hospitality Association, where it was considered alcohol was not their members' primary interest, circulated the leaflet prepared to accompany the document, and left it to their individual members to adhere the Standards if they so wished.

The most diligent organisations in disseminating and monitoring compliance were the signatories for whom alcohol was their primary focus, or those where their members represented large retailing companies. Both already have well established codes of conduct, and developed policies for social responsibility.

There is little evidence of signatories systematically monitoring compliance with the Standards, other than that which is integral to other codes such as those of the Advertising Authority and the Portman Group. However, in autumn 2006 the WSTA produced a review of the Standards on behalf of the industry.

A summary of the key points against the four key questions is provided below.

4.2.1 To what extent are the Standards adhered to?

Most signatories considered that their members would use and adhere to those aspects of the Standards most relevant to them, and its relevance to their business and links with legislation. However, signatories differed in their view of the importance of the Standards to their members in providing a code of conduct and in directly modifying the behaviour. As might be expected, the membership organisations directly linked to the alcohol industry and/or representing the larger retailers (WSTA, BRC, BBPA, GVA, NACM, AMLR) consider that this is a key *raison d'être* for the Standards. They have been referred to as a "baseline" and a "starting point" by several organisations.

Most respondents considered that the larger and more proactive of their members were already operating to a higher standard than is identified in the Standards, which were seen as the minimum level for compliance. Consequently, many organisations have incorporated relevant aspects of the Standards in their internal company policies and practices. Several member companies have provided us with examples of their individual codes of practice, their principles and procedures. Some are identified as "Social Responsibility" documents. Others are more general codes of practice or trade standards which govern how staff conduct business to meet both legislation and their own company's standards of behaviour.

Without exception, these documents are of a high standard, but it is rare for the Standards to be referred to per se in any individual member's code of conduct. Even in the training materials we have been shown, which were generally very good, typically there was no reference to the Standards. One notable exception is BII where the Standards document is introduced as part of the syllabi of several courses and qualifications. Otherwise, non-accredited company training is focused primarily on compliance with the requirements of the Licensing Act (2003), and the processes and procedures required to achieve this objective.

Signatories varied as to the extent that they believed their members complied with the Standards. They were most confident about compliance with the Portman code and the codes of the Committee of Advertising Practice. Producers and their signatory members in particular, were confident that they would never knowingly do anything that was outside the Standards. For example, they point to how they manage risks by consulting with the Portman Group Advisory Service before taking any new product to market.

Consultees suggested that this review would find that the problem of sales to under-age people had improved generally. They based this view on what they saw as significant investment, particularly training, monitoring and review to ensure compliance. However, they pointed out that because of human error 100% compliance would not be achieved in either off-sales or on-sales testing.

Signatories considered that the review may reveal compliance to be weaker in certain businesses, for example:

- Those companies (large or small), for which alcohol is not their main business and where the problems and excesses of alcohol were not anticipated to be an issue;
- Smaller independent businesses which were in signatory membership, and may not have the resources to meet all the Standards; and
- Companies which are not members of a signatory body, especially small independents, for whom the Standards may seem irrelevant.

It was suggested to us that smaller companies usually work within much tighter margins than larger firms, and do not have the resources or capacity to implement the Standards effectively. Their focus is likely to be limited to meeting the external regulatory framework requirements. The very small independent companies are also less likely to be a member of industry bodies – simply because they perceive they cannot afford the cost and the time this involves. It was also suggested that codes and compliance with external voluntary standards tend to be taken up by industry leaders, and are not necessarily adopted by the majority of firms.

Several respondents felt that the Standards had been disseminated at senior levels within companies but that the document itself was not appropriate for consumption by either staff or the general public. The Standards were regarded as creating a baseline of good industry practice and giving organisations the opportunity to showcase their achievements to Government. It was considered that the review should expect to find that neither businesses nor frontline staff in localities were aware of the Standards, and therefore that there would not be wholesale compliance.

The WSTA on behalf of the signatories made the point that:

“It may well be of course that a pub, which is very well managed and is supported by both police and the local authority licensing officer, does not adhere strictly to all parts of the standards relevant to its sphere of business”

4.2.2 To what extent are the Standards fit for purpose and effective drivers for socially responsible practice?

Conceptually the majority of members view the Standards as fit for purpose, although they concede that they need updating in detail. Signatory members differed in their views about

how the Standards might be updated. There is a sincere belief among the signatory organisations and their members that self-regulation in all areas of alcohol policy can be demonstrably effective and offers many advantages over legislation. The overwhelming view of the signatories is that self-regulation enjoys greater "buy-in" from those working in the industry and means there is likely to be more respect for the spirit of such a code rather than simply leaving compliance to legislation alone.

There was majority support for updating the present Standards in the light of developments since the implementation of the Licensing Act 2003. The larger companies thought that they should remain general and "loose". Others considered that they could be revised to have more specific sections for the different aspects of the industry, and to include a reference to the roles and responsibilities of local non-industry stakeholders, with more support for local partnership activity. One signatory representing a large part of the on-trade industry would like to see the Standards forming the core of a move to Chartered status.

The views of many of the multi-national producers and retailers is that the environment in which the alcoholic drinks industry operates, requires a differentiation between a "Code of Conduct" such as the Standards, which relates to principles and generalised standards of behaviour, and a "Code of Practice" which sets out in some detail the way in which a particular group will operate in a particular locality or jurisdiction. So a multi-national company may well have their own Code of Conduct derived from the Standards for the production and sale of alcoholic drinks but, because of the differentiation between international, national, and local licensing authorities, will need a different Code of Practice for each jurisdiction in which it is located. Best practice is achieved through the day-to-day methodical and appropriate implementation of the codes by all parts of an organisation. The fact that the original Standards are not immediately recognisable in individual company documentation does not devalue them.

The large companies in particular could point to numerous examples of socially responsible practice, which several considered the Standards had supported. The most recent example is the award winning St Neots Alcohol Project which won the National Business Awards Better Regulation Prize for an innovative way to tackle alcohol misuse issues. This is a partnership of all 16 retailers in the town, with Cambridgeshire Trading Standards and the local Police. It is particularly targeting under-age purchasers of alcohol, suspected proxy purchasers and young people drinking in public areas. This does not involve the on-trade at this stage. Other examples would include the Best Bar None scheme which is now in operation in several towns and cities in England, and where a number of these schemes are sponsored by the alcohol industry, including producers, and the on-trade. This scheme is interesting in that it includes on-trade businesses which are not signatories to the Standards. However, some consultees suggested these schemes would have happened anyway and that the Standards were incidental to them.

A large supermarket chain gave as an example of how the Standards have been an effective driver for change and their commitment to social responsibility. It has announced it will stop selling alcohol between midnight and 6am at its stores from 7 April. It will also toughen its stance against underage buyers, prosecuting under-18s who try to buy drink over the counter and doubling the number of tests carried out to check its stores' compliance. It has taken high-alcohol fruit flavoured 'shooters' off the shelves. It is also putting cash into youth projects which aim to reduce alcohol consumption.

The majority view is that the Standards recommendations had now been exceeded by the practice of many organisations, especially the larger national chains. This view was proffered by producers, off-trade retailers and the on-trade member firms. Major off-trade retailers pointed to improvements in the results of under-age test purchases as evidence of improved practice and the effect that the Standards had in promoting socially responsible practice. These companies have a high public profile and tend to rely heavily on their corporate image. One explained that the desire to be seen as “the best” led each to compete to be the most “socially responsible”.

4.2.3 How social responsibility can best be secured across the alcohol industry?

It is the industry’s belief that self-regulation can save it money; well designed and well administered self-regulation tends to be less expensive to the public purse, and can be more responsive to the consumer and Government. Legislation is seen as cumbersome, bureaucratic, takes time to enact and is more expensive for Government. The view of all signatory organisations interviewed is that a sufficiently rigorous legal framework already exists, although there is concern that it is not being implemented uniformly by local authorities. There is a unanimous view that more legislation will not be supportive of fostering a sense of social responsibility.

As well as making reference to and incorporating the requirements of the Licensing Act 2003 the Standards, as a code of conduct, has the advantage of being able to set out how organisations should comply with the spirit as well as the letter of the law. It is this feature which distinguishes guidance on a legal framework from a code based on the concept of social responsibility. Several respondents considered that the advantages of social responsibility standards may not be being exploited by all signatories and their membership, especially the smaller ones that did not have the resource.

Members suggested that the biggest driver for socially responsible practice though is commercial. For instance, producers do not want to take something to market which has to be recalled because it breaches the Portman Code. However, others pointed to examples of socially responsible behaviour which they considered disregarded the profit motive. One argued that they withdraw from markets sometimes when to stay in would have been more profitable. One producer gave an example of it ceasing production of a large pack of strong alcohol in 2004 which led to a fall of 75% in their market share for this drink. This producer only price marks packs/bottles if they are trying to increase the price and not as a promotion; they suggested this practice is not popular with supermarkets. Two producers said their concern to be seen as socially responsible was reflected in them ceasing sponsorship of sports that are associated with irresponsible behaviour.

There was a strong view that consistency in approach in the implementation of the Licensing Act 2003 by local authorities, and particularly the Police, is the most effective way of securing social responsibility across the industry. National companies point to the difficulties they have in making sure that they meet the individual requirements of local licensing authorities. Some have imposed a mass of conditions on licences, where as others have none. Monitoring and review procedures by the individual authorities vary in the extreme. The off-trade considered that they had been unfairly targeted for off-sales test purchases, whilst the on-trade testing was absent in many authorities.

4.2.4 The impact of the Standards in contributing to a reduction in alcohol-related harm

Respondents were of the view that the industry was taking too much of the blame for society's failing. The alcohol product itself was not to blame; it was the irresponsible use of it by the consumer which was the main problem. There was unanimous support for more public education which would foster self-responsibility. The industry could only go so far. Many could point to their responsiveness in putting up signs, changing labels and generally "doing their bit" to educate the public. Some companies also pointed to their sponsorship of alcohol treatment facilities and/or charities for the homeless and under-privileged.

Signatory organisations which supported producers pointed out that their main focus is ensuring the supply of good quality products which are clearly and safely labelled. One large producer stressed that the quality assurance process for their product went beyond production, with its sale force trained to monitor the use of the products in both the off and on-trade. It stated that it would withdraw its product if it saw it being used in an unethical manner which breached the Standards. It had not had to do so to date.

One respondent from the on-trade considered that they were simply meeting the needs of young people in providing sales of shots, and pitchers of cocktails. Young people today were seeking an "experience" and getting drunk was now seen as being the essence of having a good time. The view was that if they did not meet this need, then other businesses would. The Standards were not therefore thought to be realistic or helpful in putting the responsibility for reducing the impact of alcohol harm purely onto the industry.

4.3 The views of non-signatory industry members

For completeness, a sample of the non-signatory organisations within the industry were invited to provide comment to the review. Most did not respond to calls, whilst one considered the request at board level and politely declined. In the event, one large retailer, one small producer and some independents were able to contribute their views.

In the case of the large retailer, although not a signatory, their approach to social responsibility in the sale of alcohol appeared to be very similar. The organisation is influenced by the Portman Code and the Committee of Advertising Practice, and can demonstrate many of the good practice aspects which are identified in the Standards. Therefore, it includes guidance on serving alcohol in its training plan for new starters and has Challenge 21. Its national merchandising plan insists that alcohol is in a separate section, and can always be seen from a till. Its alcohol has reference to Drinkaware Trust on the label and the number of units in the bottle and in a measure. It does not have special promotions on alcohol, although it does have low prices.

The small producer also had a small retail outlet and was new to the alcohol industry. It was aware of Licensing Act and the Portman Code and was careful to be compliant. It was not aware of the Standards. It did not have Challenge 21, but considered that its product was so specialist and its retail outlet so small that it was not attractive to young people. As it was a specialist product, it considered that its prices were the biggest incentive to drinking sensibly.

None of the small independent outlets in the off- or the on- trade were aware of the Standards. All were aware of the Licensing Act which was their key driver to responsible practice.

4.4 Summary of Industry Stakeholder Views

	Industry stakeholders	Non-industry stakeholders National	Non-industry stakeholders Local
Adherence to the Standards	Standards seen as the minimum level of compliance. Few explicit references to the Standards in own codes, training material, etc. More confident about compliance with Portman Code, but risks with smaller companies	The Standards are a voluntary code with no enforcement provision, and thus have little impact. Member firms' not signing the Standards is a weakness. General lack of enforcement is the main problem	Low awareness of the Standards generally. When made aware, they supported the principles in encouraging socially responsible behaviour. However, good behaviour locally attributed to drivers other than the Standards e.g. law, police campaigns
Fit for purpose/ effective driver	Standards need updating, but the self-regulation approach much preferred. Many large companies have taken initiatives re socially responsible drinking, but they are incidental to the Standards. Could be revised to make roles of industry and various non-industry stakeholders clearer	Not fit for purpose because overridden by commercial drivers. Generally, the Portman Code is seen as being more valuable. Producer action e.g. loss leader products, raising alcohol content, heavily criticised	Voluntary code without financial sanctions is unlikely to be effective. Need for a clear implementation framework
Securing social responsibility	Self-regulation is the best way forward. The current legal framework is not applied consistently across local authorities and the police. Commercial discipline is the biggest driver to good practice	Scepticism about "socially responsible practices" of the alcohol industry. "Polluter pays" principle favoured for raising local funding but less agreement about its application	Members of signatory organisations more likely to be compliant and enthusiastic. Difficulties communicating effectively with the off-trade. Retailers unlikely to comply without enforcement e.g. condition of Licensing Agreement
Impact in reducing alcohol harm	Too much blame is being attributed to the alcohol industry in causing harm. Other initiatives such as consumer education need to be promoted	Awareness of the Standards is too low and legislation dominates. Lack of independent monitoring to secure compliance. More data sharing and partnership working required at a local level	Even when made aware of the Standards, stakeholders can see no causal link with good or bad practice locally. Some systems being developed to monitor compliance with the Licensing Act. More national initiatives required to promote consistency

5 **The Results of Consultation with Non-industry Stakeholders**

5.1 **National non-industry stakeholders**

The review consulted a range of national non-industry stakeholders as to their views on the Standards. Amongst our respondents were representatives of organisations concerned to reduce alcohol harm, extend consumer choice so that it embraced non-alcoholic alternatives, and representatives of organisations which had to deal with the aftermath of “excessive alcohol consumption” and “crime and disorder”.

A full list of those invited to respond is available in the Technical Annex. **A summary list will appear here.**

5.1.1 **The extent to which the Standards are adhered to**

The overwhelming view of the non-industry stakeholders is that voluntary codes such as the Standards have very little force, and that signing up to them means very little. As there is no enforcement code, then there is no means of ensuring that a company will comply with them. There is even the view that the Standards were signed by some simply to ward off more legislation and were a “fig-leaf” to satisfy Government at the time.

The fact that only representative “umbrella” organisations have signed up to the Standards, and not their individual member businesses, is perceived to be a weakness. There is often a large gap between umbrella organisations and their members. The signatories were considered to be too weak and partial to their own member interest to be capable of acting as sentinels of the public good.

The general view was that any problems in adherence to the Standards may be a result of a lack of enforcement, rather than with the Standards themselves. Both underage drinking and serving intoxicated people were cited frequently. The law has always been in place, but improvements have only recently been made because of enforcement by local authorities for which it has now become a priority.

It was considered that the most effective means of ensuring adherence to the Standards is to integrate them into existing rules or put regulations into Licensing Agreements.

5.1.2 **The extent to which the Standards are fit for purpose and effective drivers for socially responsible practice**

An almost unanimous view was that the current Standards are not fit for purpose. The key drivers of industry behaviour are economic ones; if businesses considered that they were about to lose their livelihood through non-compliance with the legal framework then they would take action. Voluntary codes without “teeth” were a waste of time.

There was more respect for the Portman code, which was acknowledged to have had some effect on the advertising and marketing of alcoholic drinks, but the Portman code was doing little to mitigate against the perceived evil of cheap, strong alcohol available too freely at off-trade outlets. Rules on targeting youth are difficult to enforce, for example because of the difficulty of differentiating between an 18 year old and a 17 year old. Retailers were

challenged to prove their assertion that customers who take advantage of bulk sales offers do not drink this all at once. They could prove this through analysis of their loyalty cards, but so far had chosen not to do so.

There was also concern about the Portman code's ability to control and promotion over the internet. There was much stealth advertising on YouTube which was presently unregulated by anyone. There was criticism that the Portman group was industry led, and some cynicism that an independent chair would enhance its credibility.

Producers and off-sales retailers (especially the large nationals) were heavily criticised for using alcohol as a loss leader to entice people into their stores. Producers which increased the alcoholic content of their products were also criticised, especially those in the beer, wine and cider trade. One view is that non-alcoholic products should be proactively marketed alongside the alcoholic beverages in order to really provide consumer choice.

The general impression was that the Licensing Act 2003 focused primarily on the on-trade and neglected the off-trade which acquired licences too easily.

Some stakeholders interviewed commented that legislation may be required to tackle supermarket pricing. One respondent was keen to see alcohol reclassified as a dangerous drug so that more controls could be put in place.

5.1.3 How social responsibility can best be secured across the alcohol industry

Generally, there was a great deal of scepticism about the social responsibility activities of the alcohol industry which many thought was too little, too late. The positive effects of Challenge 21 and the Drinkaware Trust website were acknowledged, but some questions were raised about the effectiveness of the Drinkaware website in tackling the real issue of alcohol harm. Examples of producers withdrawing from the alco-pops market or retailers refusing to stock them were considered to be simply a sop to public opinion.

The principle of the "polluter pays" was thought to be the correct response to foster. Respondents from the local authority and police services were divided as to how this may be achieved. One view was that, just as the cost of policing football matches should be the responsibility of the football industry, so the cost of supervising dispersal, clearing up and generally making good the cost of crime and disorder, should be a levy on the local alcohol industry. The way in which a levy could be imposed was disputed. One senior respondent in a Police authority considered that the analogy with football was misleading. If any levy were to be paid it should go to the local authority, not directly to the Police – otherwise, the alcohol industry was in the position of simply paying for "unofficial door staff".

5.1.4 The impact of the Standards in contributing to a reduction in alcohol-related harm

A strong message from respondents is that the current Standards do not contribute to a reduction in alcohol-related harm. Too few people inside and outside the industry know about them, and those that do are more concerned about meeting legislation than complying with a voluntary code. Where they are known outside the industry, the lack of an independent mechanism to monitor compliance is a serious flaw. Even though the Portman code was acknowledged by many to be good, the general public did not know how to use it to make a complaint.

One respondent considered that if the alcohol industry was really serious about working in partnership to address alcohol-related harm, it would share its business plans and marketing data with the local authority. For instance, it is likely that pubs and clubs will have a target for the amount of alcohol that they sell. They will be encouraged to exceed previous targets and bring more money into the business, especially in the current economic climate. They will know when the “stress” times of the business will be and when their staff will be most under pressure. If these details were shared with the local authority, then they may be able to work with the venues to make sure that breaches did not occur. However, as this may involve limiting activity, it is unlikely to happen unless legislation requires them to do so.

Data sharing between local partners such as the ambulance service, Accident and Emergency Services, the Police and the on-trade would also be helpful in supporting a more comprehensive assessment of the true impact of alcohol harm in a locality.

5.2 Local non-industry stakeholders

Local non-industry stakeholders were consulted in each location during the period of the observation visits. There was a great deal of diversity in the composition of the teams that were working at local level to implement the Licensing Act 2003, and to combat the impact of alcohol harm. The table in the technical annex is illustrative of some of the key differences in approach. Further detailed reports about the activities in each location are available in Volume Two. This section highlights the key messages from local stakeholders on the operation of the Standards in their locations.

5.2.1 The extent to which the Standards are adhered to

Very few non-industry stakeholders were aware of the existence of the Standards. Only one of the eight authorities visited (Manchester) explicitly incorporated adherence to the Standards into their Licensing Conditions. Others use components of the Standards. In Manchester they are initiating the use of the Standards as a means of modifying the behaviour of on-trade businesses.

In some authorities, none of the non-industry stakeholders were aware of the Standards before our consultations. However, many were pleased to see such documentation existed and recognised that the principles underpinning the Standards were used in their locality. All agreed with the principles of socially responsible behaviour.

The view of non-industry stakeholders was that it was more likely that there would be little knowledge of the Standards documentation where the majority of licence holders within the locality were independent, other than the elements which would be reflected in their licence and be a requirement of the Licensing Act 2003.

The majority of local stakeholders agreed that aspects of the Social Responsibility Standards were put into practice in their area. It was rare for good behaviour to be attributed directly to the Standards themselves, but more common for this to be attributed to other drivers such as the Licensing Law, local police campaigns or similar initiatives.

5.2.2 The extent to which the Standards are fit for purpose and effective drivers for socially responsible practice

The unanimous view was that a voluntary code without financial sanctions was unlikely to be effective. Respondents considered that the Standards needed to be within a clear framework for implementation if they are to be effective in modifying the behaviour of less responsible establishments.

5.2.3 How social responsibility can best be secured across the alcohol industry

Local stakeholders considered that one of the biggest challenges in securing socially responsible behaviour was that so much depended on the individual owner or manager of a premise. This means that nationally owned retailers presented challenges in becoming truly engaged at a local level. Respondents could point to examples of national chains “hiding” behind corporate lawyers to avoid sanctions on their behaviour at a local level. One authority quoted the example of a Trading Standards “home authority” appearing as a defence witness for a large retailer in a prosecution brought against them by their local Trading Standards authority. There were exceptions to the willingness of large national chains to become involved at local level. On several occasions, local authority representatives told us of instances where senior staff of a large chain had personally become involved in resolving issues. This willingness of the national level to engage at the local level was much appreciated by local stakeholders.

The membership of a signatory organisation appeared to have had some impact on encouraging co-operative behaviour at a local level. Several local authorities reported that businesses which were not members of trade associations were less likely to engage co-operatively at a local level. In one authority, all on-trade venues were invited to take part in a project to employ ID scanners and polycarbonate glasses. The Community Safety Partnership would pay the initial costs for businesses. There was an enthusiastic response from all but the one national chain which is not a member of any trade association. In that case, there was no response at all, negative or positive. In other areas though, non-signatories have become involved in industry partnership schemes such as Pubwatch and Best Bar None. A driver to becoming engaged appears to be that to be non-participative may send negative messages to the customer base and have an economic impact.

There are examples of good socially responsible practice in all localities. Some retailers, both in the on- and off- trade, are keen to help improve localities through initiatives such as Best Bar None. The local Pubwatch varies in its effectiveness for driving socially responsible behaviour, but it was acknowledged that the on-trade has an advantage in that it has such an organisation. Some local stakeholders were frustrated at the difficulty in communicating with the off-trade as there was no equivalent active overarching trade association in some localities. Several had tackled this situation by instigating their own partnership meetings at which they made clear they expected retailers to attend.

However, some non-industry stakeholders involved in enforcement have found that retailers will not act to their financial detriment unless enforced. They were clear that the most effective method of doing this was ensuring that any relevant condition was included in the Licensing Agreements and operating schedules, meaning that any breach could lead to a fine or even closure.

5.2.4 The impact of the Standards in contributing to a reduction in alcohol-related harm

As the non-industry stakeholders believed awareness of the Standards would be minimal they were not able to comment on the impact they would have on a reduction in alcohol-related harm. No locality could provide direct evidence of a causal link between the Standards and any impact, good or bad, on the effects of alcohol harm. Whilst several authorities were now collecting and sharing statistical data from the various partners, there was no consistent basis for doing this. So for instance, in one area, data from Accident and Emergency admissions was shared with the Police, in another it was being piloted, and in another it was not happening because there were concerns about data sharing protocols. Where data was collected on the number of alcohol-related incidents, it was acknowledged to be difficult to identify causal links.

In many authorities, systems are being developed to monitor the performance of individual businesses in complying with the Licensing Act. These systems are being developed locally on an ad hoc basis and vary in their effectiveness. For instance, one authority has developed a points system which uses the data collected on alcohol-related incidents, and deducts a set number of points per incident. Once the venue reaches 0 there is automatic licence review. Whilst this system is transparent in that it is known to all the venues, there are criticisms about its application as there is no weighting element to take into account the impact of a number of key variables which businesses say impact on their performance.

Many local respondents considered that there was a need for more nationally supported monitoring systems which would take account of local circumstances, but would provide a measure of consistency. An example of a system considered to be working was the national approach to collecting the results of off-trade testing.

5.2.5 Diversity of Local Partnership working with Industry Stakeholders

In each of the localities there was a variety of formal and informal processes for local engagement with industry stakeholders. Partnership working was facilitated through Pubwatch schemes, forums, whilst others had regular meetings which informed the development of the local alcohol strategy. Others had little engagement formally but good informal links. Further details are provided in Volume 2: The Location reports.

5.3 Summary of Industry Stakeholder Views

	Industry stakeholders	Non-industry stakeholders National	Non-industry stakeholders Local
Adherence to the Standards	Standards seen as the minimum level of compliance. Few explicit references to the Standards in own codes, training material, etc. More confident about compliance with Portman Code, but risks with smaller companies	The Standards are a voluntary code with no enforcement provision, and thus have little impact. Member firms' not signing the Standards is a weakness. General lack of enforcement is the main problem	Low awareness of the Standards generally. When made aware, they supported the principles in encouraging socially responsible behaviour. However, good behaviour locally attributed to drivers other than the Standards e.g. law, police campaigns
Fit for purpose/ effective driver	Standards need updating, but the self-regulation approach much preferred. Many large companies have taken initiatives re socially responsible drinking, but they are incidental to the Standards. Could be revised to make roles of industry and various non-industry stakeholders clearer	Not fit for purpose because overridden by commercial drivers. Generally, the Portman Code is seen as being more valuable. Producer action e.g. loss leader products, raising alcohol content, heavily criticised	Voluntary code without financial sanctions is unlikely to be effective. Need for a clear implementation framework
Securing social responsibility	Self-regulation is the best way forward. The current legal framework is not applied consistently across local authorities and the police. Commercial discipline is the biggest driver to good practice	Scepticism about "socially responsible practices" of the alcohol industry. "Polluter pays" principle favoured for raising local funding but less agreement about its application	Members of signatory organisations more likely to be compliant and enthusiastic. Difficulties communicating effectively with the off-trade. Retailers unlikely to comply without enforcement e.g. condition of Licensing Agreement
Impact in reducing alcohol harm	Too much blame is being attributed to the alcohol industry in causing harm. Other initiatives such as consumer education need to be promoted	Awareness of the Standards is too low and legislation dominates. Lack of independent monitoring to secure compliance. More data sharing and partnership working required at a local level	Even when made aware of the Standards, stakeholders can see no causal link with good or bad practice locally. Some systems being developed to monitor compliance with the Licensing Act. More national initiatives required to promote consistency

6 Qualitative and Quantitative data

6.1 Introduction

The eight locations for the observation visits were chosen to be representative of the diverse contexts in which the Standards would be expected to operate in within England. There is further detail of the rationale for each location and a detailed account of each location visit in the Technical Annex and Volume Two of the report. This section collates the information from the observed visits across the locations and applies the results to an evaluation of the extent to which the industry seems to be respecting and demonstrating the “Alcohol Social Responsibility Principles” which form the core of the Standards. Data has been sourced from the checklists, observers’ comments and from interviews with stakeholders. It also identifies common themes which have emerged as well as considering some of the differences between the locations, which may have impacted on the way in which the Standards have been observed to operate. It also identifies common themes which have emerged across the locations matched against specific guidance to the alcohol industry.

6.2 Summary of the observation visits

6.2.1 Number of Observations

The observation teams conducted a total of 726 visits across the eight locations. Some premises were visited more than once; therefore the total number of premises visited was 597. The breakdown between on-trade and off-trade was approximately 70% and 30% respectively of all premises visited.²

The observations took place during an acknowledged quiet season for the industry. Given that most of the breaches of the principles of the Standards were observed during the busier times of the week, we consider that there would be significantly more if this exercise had taken place during busier times of the year, especially in the summer.

6.2.1.1 *Table 2: Total number of observation visits across all locations*

Location	On-trade visits	Off-trade visits	Total Visits	Different Venues (On)	Different Venues (Off)	Total Different Venues
Coventry	66	23	89	55	17	72
Hackney	37	21	58	34	21	55
Harrogate	50	18	68	47	18	65
Manchester	113	42	155	107	42	149
North Norfolk	62	29	91	40	21	61
North Tyneside	77	20	97	41	18	59
Restormel	59	16	75	42	16	58
Swindon	55	38	93	48	30	78
Total	519	207	726	414	183	597

² Further detail on which visits occurred on which days, and the type of premises visited can be found in the location reports in Volume Two.

6.3 The Alcohol Social Responsibility Principles

The Standards document provides a Statement of Intent that commits member companies to adopt the Standards, to ensure that they are adhered to and maintained within their respective businesses, working in partnership with Government, Crime and Disorder Reduction Partnerships and local communities.

In order to demonstrate this intent, nine Alcohol Social Responsibility Principles are set out for member companies of the Trade Associations supporting the Standards to follow within their own areas of responsibility in all their commercial activities.

In the section below, we consider each of the principles against the results of the observation visits; identify our key findings, and exemplar positives and negatives for the off-trade and the on-trade.

6.4 Principle 1: To promote responsible drinking and the sensible drinking message

Some good practice observed in the off-trade, comprising of messages on manufacturers’ labelling and point-of-sale schemes to discourage under-age drinking. Very little promotion of the sensible drinking message in the on-trade. We observed the best sensible drinking practice in music-led venues.

6.4.1 Off –trade positives

Some off-licences (39%) displayed posters for initiatives such as ‘Drinkaware’ at the point-of-sale (at tills, at fridge displays, at the door), together with messages urging people to ‘drink sensibly’ [Harrogate, Swindon, Coventry, Manchester].

6.4.1.1 *Table 3: Drinkaware Trust references in the off-trade*

Location	Percentage
Coventry	47%
Hackney	10%
Harrogate	61%
Manchester	45%
North Norfolk	48%
North Tyneside	22%
Restormel	44%
Swindon	33%
All	39%

Source: Observational Checklists - question 3.4

In larger supermarkets in all eight locations selling multiple packs of beer, lager and cider, sensible drinking messages were clearly visible on the manufacturers’ packaging and also on the shelves.

One national supermarket operating in a residential area also had signs next to drinks asking customers to leave quietly [Harrogate].

6.4.2 Off-Trade Negatives

6.4.2.1 Table 4: Signs in Off-Trade premises promoting the Sensible Drinking Message

Location	Sensible drinking inc. units	Refusal to serve intoxicated customers	
		Crime Prevention	
Coventry	12%	24%	6%
Hackney	5%	10%	0%
Harrogate	28%	22%	0%
Manchester	17%	5%	0%
North Norfolk	38%	33%	10%
North Tyneside	0%	0%	0%
Restormel	25%	13%	19%
Swindon	3%	3%	7%
All	15%	12%	4%

Source: Observational checklists – question 3.3 b-d

This was recorded by the observation team if one or more of the following facets were observed in a premise; material promoting sensible messages such as sensible drinking levels, including knowledge of units; crime prevention literature; refusal to sell alcohol to intoxicated customers.

As can be seen in the table above, there was very little evidence of signs promoting the sensible drinking message in the off-trade premises that we visited.

The minority of smaller independent shops had no sensible drinking signs or signs were not clearly displayed. [Harrogate, Swindon, Coventry]

In all eight locations, sensible drinking messages around consumption and intoxication were usually secondary to underage sales messages for alcohol and tobacco products.

Messages on under-age drinking varied in terms of appearance, size and location of messages. Some, especially independents, had been done on a printer and were badly displayed [Newquay], whilst others showed more consistency and commitment [North Tyneside, North Norfolk].

6.4.3 On-Trade Positives

Free tap water was very rarely refused on request. Almost all venues in all eight locations were very willing to provide free tap water on request throughout the day and evening. One independent dance club proactively put many pints of free tap water in plastic glasses along the length of the bar in the hour before closure (3-4am) for dehydrated customers [Manchester].

During day-time trading periods many pubs and bars across the eight locations serve reasonably priced food, soft drinks and hot drinks which act as viable alternatives to alcohol. Some venues [national chain, Manchester] sold food up until closing time, even late on a Sunday evening.

One independent café bar encouraged customers who obtained 2-4-1 offers to share them between two people. This venue said ‘*Drink sensibly – share your 2-4-1*’ on its flyers. However this was in much smaller font size than ‘*Drink, eat and enjoy: 2-4-1 all day everyday!*’ [Manchester].

One national chain had a loyalty scheme offering free tea and coffee.

6.4.4 On-trade Negatives.

6.4.4.1 **Table 5: Promotion of sensible drinking messages in on-trade premises**

Location	Sensible drinking inc. units	Crime Prevention	Safe transport on leaving	Refusal to serve to intoxicated customers
Coventry	5%	11%	4%	4%
Hackney	0%	3%	15%	0%
Harrogate	0%	11%	4%	2%
Manchester	7%	14%	9%	2%
N Norfolk	8%	18%	15%	0%
N Tyneside	2%	12%	0%	2%
Restormel	14%	26%	21%	2%
Swindon	4%	4%	0%	6%
All	6%	13%	8%	2%

Source: Observational checklists – questions 4.5 b - e

This was recorded by the observation team if one or more of the following facets were observed in a premise; material promoting sensible messages such sensible drinking levels, including knowledge of units; crime prevention literature; notices highlighting safe transport on leaving; refusal to sell alcohol to intoxicated customers.

As table 5 clearly shows, and as is the case in the off-trade, signs promoting sensible drinking messages in the on-trade were rare. The extent to which these messages were promoted varied by location, for example in Restormel it was 14%, while in Swindon it was 4%. Almost no signs were seen in any on-licence premise to remind customers that the serving of known intoxicated persons was an offence.

In the great majority of cases, drinking was the main or sole focus of entertainment in many licensed premises. Beyond alcohol, the most frequently observed entertainment was screenings of sports on TV and/or music videos, followed by disc jockeys (DJs) and karaoke. Pool tables and darts featured mainly in traditional pubs. Live music was featured in very few premises. Other venues had pre-recorded music or no entertainment at all.

Venues tended to be segregated by age in all eight locations, with speed drinking and vertical drinking amongst a noticeably young cohort being the dominant trading model for some town and city centre bars and nightclubs.

In the vast majority of youth-oriented venues it was not possible to purchase food (other than basic bar snacks) or hot drinks during peak weekend trading times. Substantial food was rarely, if ever, available in pubs, bars and nightclubs after 9pm.

6.5 Principle 2: To avoid any actions that encourage or condone illegal, irresponsible or immoderate drinking such as drunkenness, drink driving, or drinking in inappropriate circumstances.

Premises’ staff and drinks manufacturers could do more by avoiding promotions and services that present products in such a way that might encourage drunkenness.

6.5.1 Off-trade positives

Some retailers such as ‘wine merchants’ and ‘specialist beer shops’ offered premium products with a focus on quality and speciality rather than price [Manchester, Newquay, Harrogate, Swindon].

As can be seen in the table below, offers that may go against the spirit of the standards, other than those on direct price, were rare; 3 of the eight locations had promotions linked to sports events, however, only one location had premises encouraging excessive drinking and none speed drinking. Promotions glamorising alcohol, drunkenness or making false claims related to alcoholic products were minimal in the off – trade.³

6.5.1.1 Table 6: Off-trade drinks promotions

Location	Noticeably cheap drinks	2-4-1 or similar	Discounts related to sports events	Related to games/ speed drinking	Encouraging excessive drinking	Targeting Young People	Other
Coventry	88%	41%	6%	0%	0%	6%	0%
Hackney	57%	52%	0%	0%	0%	0%	5%
Harrogate	67%	61%	6%	0%	0%	0%	11%
Manchester	31%	71%	0%	0%	0%	0%	5%
N Norfolk	71%	81%	0%	0%	5%	14%	14%
N Tyneside	83%	56%	11%	0%	0%	11%	0%
Restormel	88%	69%	0%	0%	0%	19%	6%
Swindon	67%	70%	0%	0%	0%	0%	10%
All	63%	64%	2%	0%	1%	5%	7%

Source: Observational Checklists – question 3.1 a - g

³ See Technical Annex section 9 for more detail.

6.5.2 Off-trade negatives

Promotions on price (cheap drinks or two for one) were very common. North Norfolk had the highest number of observed price promotions, whilst the overall price of alcohol appeared cheapest in Coventry and Restormel.

There were significant financial incentives to bulk purchase in all eight locations. Bulk purchase offers were displayed at point-of-sale, or prominently by the door as customers entered, in a number of national supermarket chains. One outlet sought to emphasise these savings by breaking down the price of cans into the equivalent price per pint measure, eg: Fosters: 18 x 440ml = 64.4p per pint/£1.31p per litre.

All major supermarkets in all eight locations stocked an entire range of cheap own-brand alcohol (spirits, beers, cider) that was approximately half the price of branded equivalents.

Whilst most of the observed negatives in the observation visits relate to retailers, it was noticeable that some products appear to be marketed with a heavy emphasis on their strength, eg. Carlsberg Special Brew, Tenant's Extra, several brands of white cider e.g. Frosty Jacks which have the ABV prominently displayed on the front of the label, under the brand name. This can only be the responsibility of the producer, and would seem to be against the spirit of the social responsibility standards.

6.5.3 On-trade positives

Door staff at some venues prevented intoxicated persons from entering, thus underlining that 'pre-loading' on alcohol to excess is not tolerated [Harrogate].

Venues featuring live music and clubs featuring specialist dance DJs tended to less rely upon drinks sales, might have a higher admission charge and tended to attract customers who were less intent on drinking to excess, e.g. a sign at a leading [Manchester] independent dance club stated, '*We serve drinks not drunks*'. [Manchester, Swindon, Coventry].

Drink driving was discouraged in a number of ways. Some areas either had individual nightclubs [Harrogate] or the council [Manchester] had arranged for taxi marshalls to help facilitate safe dispersal.

Some areas had excellent taxi services [North Tyneside] and the drivers had considerable local knowledge, for example about which premises would be busy and on which night, and closing times of individual premises, and would usually turn up in sufficient numbers to take people away quickly and efficiently.

Some designated driver schemes were in operation [Harrogate, Swindon, Coventry, Manchester]. For example, one national chain of 'retro disco bar' offered a 'driver drinks for free' scheme (although this was only advertised in small print on drinks menu and on the bottom of posters in toilets) [Harrogate].

Promotion of local taxi numbers and ‘text a taxi’ schemes was observed in national chains [Coventry] and in independents [Manchester].

6.5.4 On-trade negatives

In a very rural town in North Norfolk, where the clubs closed in the early hours of the morning, there was no public transport and insufficient taxis for people to use to go home; someone, obviously drunk, was seen getting in a car preparing to drive until a friend stopped him.

The law against serving known intoxicated persons was regularly flouted across all eight locations and all types of on-licence venues. The table below shows that on almost one in three of our visits (up to 50% in North Tyneside), at all times of day, perceived intoxicated people were seen to enter the premises.

6.5.4.1 **Table 7: Percentage of visits where intoxicated person seen to enter premises**

Location	% of visits when intoxicated person entered
Coventry	24%
Hackney	35%
Harrogate	29%
Manchester	23%
North Norfolk	15%
North Tyneside	50%
Restormel	40%
Swindon	30%
All	30%

Source: *Observational Checklists – question 2.2*

Inside premises, observers repeatedly witnessed customers who were visibly intoxicated (including swaying, stumbling, falling over, slurring their words and struggling to count out the correct money at the bar) being served more alcoholic drinks. This was seen on 38% of visits. On one occasion a young man vomited on the floor in the centre of a venue, close to the bar. No action was taken to remove the man or clean up his vomit [North Tyneside].

On another occasion an intoxicated woman was served at the bar who was too drunk to count out her money to pay for her alcopops without assistance from the bar staff. She drank half the bottle of alcopops in one go, stopped and visibly wretched, then finished the other half of the bottle and staggered away from the bar [Newquay]. People were also witnessed in several locations being allowed into bars and clubs who were clearly intoxicated in the queue for admission, after having been seen by the door staff to be swaying, vomiting and falling over [Newquay, Coventry]. The table below shows the regularity with which we saw obviously drunk people being served alcohol, and how this is affected by various factors.

6.5.4.2 **Table 8: Impact of time of day and type of venue on behaviour in the on-trade**

Criteria	Obviously drunk people served
Overall Average	38%
Post 9pm	49%
Post 11pm	60%
Where promotions in place	47%
Where noticeably cheap drinks	52%
Vertical drinking venue	73%
When premise over 80% full	61%
Where promotions aimed at young people	N/A
Where policy statement displayed against	33%*

Source: Observational checklists – question 6.7 * small sample size

Across six sites [North Norfolk, North Tyneside, Manchester, Newquay, Swindon and Coventry] observers saw a total of only three incidents where an intoxicated customer was refused a drink, by contrast with many hundreds of instances of intoxicated customers being repeatedly served.

In some venues, DJs were central to the promotion of irresponsible drinking by shouting out drinks promotions, encouraging customers to drink more if they were not yet drunk, and alluding to the ‘amusing’ and cathartic aspects of drunkenness, especially its connections with a loss of sexual inhibitions [Newquay, Harrogate, Swindon, Coventry].

One chain venue actively encouraged drunkenness through a drink-downing competition followed by the opportunity for free drinks through tossing a ‘win or lose’ coin [Coventry].

Several youth-oriented late night venues with vertical drinking presented as ‘factories of drunkenness’ wherein the paid consumption of shooters, RTDs and cocktails prevailed and customers had few options as to seating or alternative distractions [eg. Newquay, Manchester, Harrogate, Swindon, Coventry].

Quantities sold / consumed often involved ‘going large’ e.g. the traditional 125ml (1 unit) small wine glass being replaced by the new ‘small / regular’ at 175ml and the new ‘large’ at 250ml, with 250 ml becoming the new standard default sized serving of wine in many cases (equivalent to 1/3 of a standard 750 ml wine bottle). Some venues refused to sell the traditional small 125ml glass of wine or were unable to because they did not have that size of wine glass.

Some spirits across all locations were ‘free poured’ thus preventing the accurate calculation of units consumed, particularly in shots and cocktails.

Many venues across all eight locations offered discounted deals on all drinks all night (e.g. £1 a pint / RTDs; £2 for any drink all night). In one location [Newquay], £1 for drinks promotions were not uncommon and one venue offered 80p drinks promotions at the weekend.

In several venues ‘two for one’ deals were misleading – they suggested that for instance one person could buy two drinks for the price of one, for the customer and a friend, but at the bar it became apparent that both drinks had to be bought and consumed by the same customer –

therefore encouraging either quick and excessive drinking, and/or excessive glassware as customers walked around the venue with two glasses or bottles in their hand [North Tyneside, Manchester].

Some premises across all eight locations offered ‘buy 2 glasses of 250 ml wine and get the rest of the 750ml bottle free.’ In one location women were then witnessed drinking straight from the full size bottles of wine which they held [Manchester].

Premises in several locations offered a free shot (one per person) to everyone who presented one of their promotional flyers or promotional casino chips at the bar [Manchester, Harrogate]; or free shots / drinks as part of the entertainment [Swindon, Coventry].

In several national bar chains, 50ml ‘doubles’ were the standard default measure of spirits and 25ml ‘single’ measures were only available on request. This information was not prominently displayed at the bar and was only to be found in the drinks menu.

In some venues which sold shots/shooters, it was requested that customers consume their drinks in one gulp and leave the glasses at the bar, thus promoting ‘speed drinking’ [Manchester, Newquay, Harrogate].

When preparing cocktails and shots on the premises (i.e. not pre-mixed bottles) a number of venues across all eight locations poured the spirits freely rather than using measures. Furthermore cocktail menus rarely specified the alcohol content. The free pouring of unknown strength ingredients thus made it impossible for customers to judge the alcohol content of such drinks.

A large number of venues offered deals on shots and on double measures of spirits (e.g. ‘double up for £1’).

In two venues scantily clad young women wearing ‘holsters’ containing alcoholic drinks moved around the premises, talking to groups of young (and already intoxicated) men, engaged in flirtatious behaviour and encouraged them to ‘take a shot’ for £2. What the drink contained was not clearly identified, verbally or visually. On a number of occasions the drink was poured from the bottle directly into the mouth of the customer [North Tyneside].

6.6 Principle 3: To take all reasonable precautions to ensure people under the legal purchase age cannot buy or obtain alcoholic drinks

Evidence of good progress, although many venues appeared to deliberately court the younger drinker. Contexts and associated harms of drinking amongst the younger age group varied considerably across different micro locations and types of premises (e.g. quiet rural pubs/urban chain bars).

6.6.1 Off-trade positives

The majority of off-licences in all eight locations displayed posters for initiatives such as ‘Challenge 21’, at the point-of-sale (at tills, at fridge displays, at the door and on badges).

Table 9: Signs on underage sales in off-trade premises

Location	Challenge 21 etc
Coventry	76%
Hackney	57%
Harrogate	78%
Manchester	83%
North Norfolk	90%
North Tyneside	83%
Restormel	94%
Swindon	93%
All	83%

Source: Observational checklists – questions 3.3 a

This was recorded by the observation team if one or more of the following facets were observed displayed in a premise; Challenge 21 scheme; Pass Card; No ID no sale

A number of small independent and chain outlets displayed signs warning that persons buying alcohol for under-18s could be fined, mainly observed in areas where requests for proxy purchase were reportedly a significant problem.

One outlet was also launching an initiative entitled ‘Think 30’ from 1st March 2008, in which any customer who appeared to be under the age of 30 could be asked for I.D [Harrogate]. Other venues had Challenge 25 signs [Newquay].

Some areas had local police initiatives with warnings in off licences of a fine of up to £1000 for anyone caught purchasing alcohol for under-18s [Harrogate, Coventry].

Although our observations were brief, we witnessed almost no incidences of alcohol sales to under-18s. The data on test-purchasing is stronger evidence on this issue.

6.6.2 Off-trade negatives

In most cases the off-trade did appear to be taking all reasonable precautions to ensure people under the legal purchase age could not buy or obtain alcoholic drinks. However, instances were observed of young people who were thought to be under 21 being served alcohol without being challenged in all eight locations. An 18 year old fieldwork observer within the Newquay and Manchester teams was not challenged to show ID in *any* of the numerous off-licensed premises visited throughout the whole fieldwork period.

Observers saw ID checked only six times (three in Coventry, one in Manchester and two in Restormel); Only three people were refused service for being underage, all in Coventry. The percentage of observed premises with signs at the point-of-sale relating to the legal purchasing age, range from 73% (Coventry) - 94% (North Tyneside). Similarly percentage of observed premises with signs at point-of-sale range from 57% (Hackney) – 94% (Restormel).

There were incidents in small independent off licences of young people thought to be underage being served by someone who also looked under-18 [Swindon and Newquay].

In Coventry, the observation team visiting a suburban housing estate were pestered by youngsters as young as nine or ten to buy alcohol for them

In a number of cases across all eight locations observers felt that the ubiquity of signage relating to Challenge 21 / ID checks were so widely dispersed they became ‘invisible’. Many of the signs used the same font as the store’s price tags making them hard to distinguish.

6.6.3 On-trade positives

Many pubs and bars (55%, see table below) displayed posters for initiatives such as ‘Challenge 21’ at the point-of-sale (near to the bar) or at the door [Harrogate, Newquay, Manchester, Swindon, Coventry].

At some premises across all locations, door staff were observed to be working closely with the police around enforcement and were denying entry to persons they judged to be under-18.

Some venues were so consistent in checking ID that regular customers took out their ID to be checked before they were even asked to do so by door staff [Newquay].

Alcohol consumption by under-18s was not always associated with drunkenness and alcohol-related harms. In rural areas [North Norfolk, rural Harrogate], satellite towns, low income housing estates [Manchester] and some town centre traditional pubs [Swindon], under-18s were noted to be drinking alcohol in pubs, as part of a family group, enjoying a meal or in small groups playing pool and drinking responsibly with supervising adults located nearby.

A number of nightclubs held ‘under-18s’ nights [Swindon, Newquay, Harrogate]. These were largely seen as a positive measure to provide entertainment for this age-group without alcohol.

6.6.4 On-trade negatives

Despite the number of on-trade premises with signs on underage drinking, we witnessed what appeared to be underage drinkers allowed entry to the premises on 27% of our visits.

6.6.4.1 *Table 10: Signs on underage sales in on-trade premises*

Location	Premises with signs on Challenge 21 etc	% of visits where underage person entered
Coventry	51%	33%
Hackney	35%	8%
Harrogate	45%	25%
Manchester	48%	5%
North Norfolk	73%	38%
North Tyneside	51%	36%
Restormel	81%	35%
Swindon	65%	47%
All	55%	27%

Observational checklists – questions 4.5 a and 2.3

This was recorded by the observation team if one or more of the following facets were observed displayed in a premise; Challenge 21 scheme; Pass Card; No ID no sale. The observation team subsequently also observed the same premise and noted the number of times where an obviously underage person entered.

We found that irresponsible practices e.g. serving people who are intoxicated, drinking games, are more prevalent in those venues where people that are apparently under-18 have gained entry and are served. For example, in 38% of all pubs visited we observed intoxicated people being served. However, for the subset of pubs where under-18s were observed as being served this figure rises to 81%. Similarly, drunken behaviour (stumbling, falling over, passing out) was observed more than once in 11% of venues visited, but in venues where under-18s were served this figure rises to 32%.

A number of the busy large capacity, town centre nightclubs/late-night bars which encouraged vertical drinking were observed which had a noticeably young clientele (with no customers who appeared to be over the age of 25), the 'youth' and 'young adult' market being actively targeted in marketing and branding of the venues. General levels of intoxication were higher in many of these venues than in any other on-licensed premises [Harrogate, Newquay, Manchester, Swindon, Coventry].

6.6.4.2 *Table 11: Observations of when obviously underage customers were served*

Criteria	Obviously underage customers served
Overall Average	18%
Post 9pm	24%
Post 11pm	22%
Where promotions in place	26%
Where noticeably cheap drinks	30%
Vertical drinking venue	37%

When premise over 80% full	24%
Where promotions aimed at young people	29%*
Where policy statement displayed against	20%

Source: Observational checklists – questions 6.9 * small sample size

A group of girls waiting in a queue for entry to a nightclub were observed chanting their dates of birth and quizzing each other about their star signs in full hearing of the door staff. They got in. [Coventry]

At times, under-18 nights became a source of concern, becoming a focus for the pre-loading of alcohol by young people [N.B. observation of dispersal of one such night showed no cause for concern in Swindon but 3 under-age drinkers were found the following night in a Trading Standards/Police operation].

There appeared to be inconsistencies regarding entry to venues in all eight locations, with observations of young women being permitted entry more readily than young men. Two hypotheses arising from this are that firstly, young women may be more adept at appearing older than their male counterparts and may therefore be more likely to gain entry and be served alcohol in on-licensed premises at an earlier age; and secondly, door staff and owners are aware of the potential commercial ‘draw’ of young women in a venue.

The ‘two lines of defence’ suggestion of ID checks both at entry into venues by door staff and at point-of-sale by bar staff did not appear to be working in practice. That is, once door staff admitted a customer, in most premises bar staff did not then check ID a second time [Newquay, Swindon, Coventry].

6.7 Principle 4: To avoid any forms of marketing or promotion which have a particular appeal to young people under the age of 18 in both content and context

The Portman Group guidelines appear to be adhered to in the vast majority of cases, with little evidence of marketing and promotions designed to appeal specifically to under-18s. Evidence was found of marketing of alcohol which appealed to a broader ‘youth culture’, however.

6.7.1 Off-trade positives

There was little evidence of marketing and promotions designed to appeal specifically to under-18s

6.7.2 Off-trade negatives

A number of off licences had fridges dedicated to drinks which appealed to the younger drinker, such as white ciders, RTDs, and strong lagers placed together. These included noticeably cheap bulk purchase pricing such as 8 tins of 440ml Carlsberg for £5 and three litres of 7.5% ABV ‘Frosty Jacks’ white cider for £3.39 [Harrogate, Swindon, Coventry].

Some smaller general stores stocked alcohol known to be favoured by younger drinkers eg. RTDs in the same fridges as soft drinks [Swindon].

Some stores stocked confectionary-orientated RTDs e.g. Strawberry Cheesecake vodka next to sweets and chocolates [Coventry].

Some producer breaches of marketing were observed, e.g. Frosty Jacks link with ‘Jackass’ and VK’s slogan, ‘Ibiza in a Bottle’.

Despite an overall decrease in the sale of ‘alcopops’ at a national level, the Ready To Drink alcoholic beverages appeared to be hugely popular in both the on-trade [Newquay] and off-trade [North Tyneside], particularly in premises frequented by younger drinkers.

6.7.3 On-trade positives

The majority of the on-trade across the sites operated responsibly in this regard.

6.7.4 On-trade negatives

The only potential breaches were found in town centre youth-oriented on-trade venues. The drinks menu of one national bar chain advertised ‘pitchers’ – “*each one contains at least 6 shots of liquor*”, one of which had been named ‘*Lollipopular*’. [Harrogate]

The same menu carried cartoons depicting excessive alcohol consumption at a Music Awards event by celebrities who are currently in vogue within youth culture (Amy Winehouse, Pete Doherty and Lily Allen).

In a number of venues there was a feeling from older observers in the teams (35 years plus) that they were conspicuous and not particularly welcome in such venues [North Tyneside, North Norfolk, Newquay].

6.8 Principle 5: To avoid any association with violent, aggressive, dangerous, illegal or anti-social behaviour

References to the above were limited to the naming and point-of-sale advertising of cocktails in the on-trade.

6.8.1 Off-trade positives

No associations with violent, aggressive, dangerous, illegal or anti-social behaviour were found.

6.8.2 On-trade positives

References of this nature were limited to the naming of cocktails in a minority of venues.

6.8.3 On-trade negatives

One national bar chain which targets its marketing towards young people, contained the following offer: “*Make your pitcher Mad – Extra Vodka Shots only £1*”- *cocktail names included: “Mad mule”, “Bull Master”, “Polish Bullet”, “Bloody Revolution” and “Passion Punch”* [Harrogate].

Another venue offered pitchers entitled “*let’s get Moko’d*”, a shooter called “*squashed frog*” and had a ‘party tricks’ menu which promised: “*special drinks for those special occasions...As long as you think you can handle them*”. The ‘*proper slammer*’ was described as follows: “*Tequila and Bubbly. Put your hand over the top bang on the bar, neck the shot and shudder as the bubbles flood your sinuses*” [Harrogate].

Various cocktails had names associated with drugs. For example, a national bar chain sold a cocktail, specified in the cocktail menus and also in large print on a wall next to the bar, which included ‘*Liquid Cocaine*’ [Newquay].

6.9 Principle 6: To make the alcoholic nature of their products clear and avoid confusion with non-alcoholic drinks

All pre-packaged drinks were found to comply. Ambiguities over alcohol content and strength were noted in the on-trade especially in relation to free-poured spirit-based cocktails.

6.9.1 Off-trade positives

There were very few products which gave rise to confusion regarding their alcoholic nature.

6.9.2 Off-trade negatives

Confectionary-orientated shooters and RTDs’ names and packaging were not always clearly alcoholic e.g. Corky’s ‘*Strawberry Cheesecake*’ and Sidekick ‘*Pear Drop*’.

There were examples of ‘manager’s special’ style imported alcoholic drinks observed in both supermarkets and independent off licences did not have ABV % on the label [Swindon and Coventry].

6.9.3 On-trade positives

Most products sold by the on-trade in marked manufacturers’ bottles did not give rise to confusion regarding their alcoholic nature. 85% of these also had the number of units clearly marked.

6.9.4 On-trade negatives

Ambiguities arose as to the relative strength of free-poured drinks where accurate measures were not used, particularly when preparing cocktails and pitchers.

In some venues the default standard size measure was a 'double' or a 'large' (see comments regarding principle no.1, above). This information was not clearly conveyed at the point-of-sale on any occasion.

In the case of draught beers etc., the relative strength of different products was often unclear as this was not stated on the pumps.

On occasion, cocktail names implied health-giving benefits, e.g. '*Detox*' [Swindon].

6.10 Principle 7: To avoid any suggestion that drinking can enhance social, sexual, physical, mental, financial or sporting performance, or conversely that a decision not to drink may have the reverse effect.

Such suggestions were not generally found in the marketing of pre-packaged drinks. They were to be found in the naming of cocktails and were *strongly* associated with the general social atmosphere promoted by on-trade venues operating in the night-time economy across all eight locations.

6.10.1 Off-trade positives

In accordance with Portman Group guidance, pre-packaged drinks in the off-trade were promoted responsibly in this regard in that they avoided such connotations. Only on two occasions in all our observations did we find anything contrary to the spirit of the Standards.

6.10.2 Off-trade negatives

A few specialist beers were found which had been given names which contained humorous and colloquial sexual references: eg '*Slap and Tickle*', '*Old Gspot*', '*Old Shag*', and '*Rumpy Pumpy*'.

Some brands of high strength cider and lager used the alcohol content as a prominent feature of the labelling; this gave the impression of promoting their potency as a positive feature.

6.10.3 On-trade positives

The packaging of products was mainly found to not contravene this principle. On only three occasions in all our observations did we find anything contrary to the spirit of the Standards.

6.10.4 On-trade negatives

Sexual references in the naming of cocktails was commonplace in the on-trade across all eight locations, especially in youth-oriented venues with an extensive cocktail menu. Cocktail names included: *Sex on the Beach*, *Screaming Orgasm*, *Blow Job*, *Scarlet Miss Charlotte*, *Slippery Nipple*, *Quick Fuck*, *Perfect Sex*, and *Sun Kissed Virgin*.

DJs were heard to frequently encourage additional drinks purchases in order to encourage an atmosphere of abandon in which social and sexual inhibitions were loosened across all eight venues. Clear connections between drinking and social/sexual success were implied, e.g. “*who’s getting drunk tonight?...who’s getting laid tonight?*” [Swindon], “*if you’re not drunk yet, get to the bar, get ‘em in and get ‘em down your neck*”, “*if you’ve not pulled yet, you must be too ugly, crap in bed or not drunk enough*” [Newquay].

Stripping and pole dancing activities within a noticeably sexualised social environment were commonplace across all eight locations within mainstream bars and clubs. Many venues provided poles and/or podiums at which female customers were encouraged to ‘perform’ for male customers.

DJs in a number of youth-oriented venues worked to the assumption that everyone was ‘on the pull’ and encouraged a sexually predatory atmosphere. Men and women were encouraged to dance together, to dance suggestively, and to remove clothing as a spectacle for other customers. Footage of these dance floor activities was conveyed via video screens to other areas of the venue [Harrogate].

At one venue the DJ encouraged one man to strip to his pants on a raised stage, and then invited various female patrons to join him. These women at times would lift up their skirts or have them lifted up by other patrons [North Tyneside]. At a national chain night club, female customers were encouraged to dance provocatively on a podium about ten feet above the dance floor by the DJ, and male customers down below took photographs up their skirts on their mobile phones. Security staff immediately removed male customers observed trying to climb up onto the podium themselves but made no attempt to stop them taking photographs up the women’s skirts [Newquay].

One independent cocktail bar had a cocktail menu which on page 4 says “*Warning: these drinks all look and taste dirty filthy gorgeous they will make you and those around you seem more beautiful they will get you fucked quickly they make you appear slutty they will make you drunk in moderation they are deliciously fun and quirky and give something totally...*” The cocktails themselves on this page include “*Jailbird – a dirty big shot of Johnny Walker black, pineapple, lemon, caramel, black sambucca – if her daddy is rich take her out for a meal if her daddy is poor just do what you feel*” [Manchester].

Drinks menus encouraged binge drinking. For example, one page of a cocktail menu in an independent cocktail bar appeared to be aimed at female customers, with a title saying “*I [heart] cocktails: society cocktails for the discerning female, shoes handbags lipstick vodka*” then listed various cocktails below it included “*Snappeltini – vodka green apple liqueur lemon juice sugar vanilla French raspberry – tangtastic – today’s madame should easily snaffel down 3-4 of these*”. Given the ingredients, only three of these cocktails would amount to binge drinking for a female customer if each cocktail contained just two standard units of alcohol [Manchester].

One venue had a framed poster in women's toilets saying "You'd be gorgeous if you had another shot" [Swindon]. Another quote from the drinks menu of a late-night bar/club read: "I feel sorry for people who don't drink. When they wake up in the morning, that's as good as they're going to feel all day!" (Frank Sinatra) [Harrogate].

One youth-oriented venue had vending machines in both the male and female toilets selling sex toys and sex aids (herbal Viagra) without selling any condoms to promote safer sex [Coventry].

6.11 Principle 8: To ensure their staff and those of companies acting on their behalf are fully aware of these Standards and are trained in their application in their own areas of responsibility.

The Social Responsibility Standards are reflected in the training of off-trade sales assistants. In the on-trade, there is also good training available for bar staff and servers which reflects the Standards, but this 'best practice' often conflicts with commercial targets on the ground, especially during peak weekend trading periods in the on-trade.

6.11.1 Off-trade positives

There was some evidence of the innovative training and use of off-trade staff to take advantage of their ability to observe the peripheries of business premises eg. a national supermarket chain trained shopping trolley collectors to look for underage young people hanging around the car park hoping to ask adults to buy their alcohol for them [Newquay].

Most companies have their own training schemes. Some are nationally and externally accredited. Whilst the Standards are unlikely to be referenced directly in in-house company training, the training usually reflects the principles of the Standards. Where it is externally accredited e.g., by BII, then it is more likely to have a direct reference to the Standards. Very few frontline staff in the off and the on-trade are provided with access to externally nationally accredited training though.

In all location, non-industry stakeholders supported in-company training. In the SW, the regional trading standards had produced a DVD based training package which they were licensing to national chains to become an integral part of their own training packages. Police and other partner staff, regularly take part in individual store training sessions [Newquay, Swindon, Manchester]

6.11.2 On-trade positives

Door staff and security staff in most venues across all eight locations were effective in identifying and dealing with problems, and in encouraging customers to leave the venues in an orderly fashion at the end of the night.

Two premises, a late opening pub and a nightclub, made a point of asking patrons to leave quietly. At the pub this was done by the bar manager; at the club, by the DJ [North Tyneside].

DJs in some venues reduced the tempo of the music or playing humorous or unpopular tracks at the end of the night, thus aiding dispersal [Harrogate, Newquay].

Some venues announced 'last orders' 20-30 minutes before closing allowing for 'drinking up time' [Coventry].

The innovative training and use of on-trade staff to utilise their greater access to the peripheries of venues eg. all glass collectors [Newquay] receive training in Cornwall to look out for potential alcohol-related problems in pubs and clubs when collecting glasses.

6.11.3 On-trade negatives

There were no examples of hot drinks either being offered or being available after closure of the premises in any of the eight locations.

Large amounts of glassware were observed in all eight locations, creating considerable risk for both customers and employees in premises. In busy venues in all eight locations, glass collection did not occur or occurred very infrequently until the venues began to disperse.

In some cases, the volume and intensity of the music was not reduced in preparation for closure, this acted to discourage prompt departures [Coventry, Newquay].

In only one case a nightclub operated a 'burger bar' selling hot food as customers left [Harrogate]. No other food provisions at closing time were observed in the on-trade in any of the eight locations.

There was little evidence of continued door staff supervision of dispersal once a venue had closed, leaving large numbers of intoxicated individuals wandering around looking for taxis without any uniformed or organised presence [Harrogate, Newquay, North Norfolk, Coventry].

In one location on a Saturday night, the streets were literally teeming with drunken people engaging in various aggressive behaviour, which was not effectively dealt with either by the 'car bound' police or premise's security staff [North Norfolk].

There were various instances of door staff asking intoxicated vomiting individuals to do so away from the premises they had just left.

6.12 Principle 9: To ensure that all company policies work to support these standards

At the national level, individual organisations can produce evidence of compliance to the Standards, but this does not always follow through to the local level. Company policy, whether large national or small independent is more likely to be geared to complying with the requirements of the legal framework than the Standards of Social Responsibility, therefore when it is translated downwards to frontline staff the wider concept of the "spirit" of the Standards is lost.

6.12.1 Off-trade positives

Most large Supermarkets at a local level were not aware of the standards, but were fully briefed on company initiatives which adhered to the standards.

One supermarket chain interviewed would not allow discounts on high unit drinks.

Most off-trade interviewed were keen to be seen as sensible retailers, keen to co-operate with the local police, community and although not aware of the standards were keen to be seen to be doing well. In fact some large supermarkets interviewed saw this as part of their commercial practice and being more compliant than other supermarkets would mean a competitive advantage.

All companies interviewed had a strict training programme to ensure that Challenge 21 was implemented and adhered to.

6.12.2 Off-trade negatives

Most small premises had no knowledge of the Standards, preferring to rely on local licensing powers, as well as work with the Pubwatch and Police.

6.12.3 On-trade positives

Only one location (Manchester) appears to be actively trying to use the Standards to modify behaviour, and is doing so with a degree of scepticism.

One national organisation has not only general training that covers the whole standards, but also more specific remedies e.g. introducing plastic glasses or redesigning venues, for when specific issues are identified in particular premises.

One large on-trade chain would not allow promotions to be free, even if it meant that the last drink would be 20p.

6.12.4 On-trade negatives

All small premises had no knowledge of the Standards, with few larger premises, most worked to the licensing conditions.

Most on-trade organisations undertook initial training, but did not review this. Further compliance to the standards was largely down to the local management team and the restrictions of the license.

A national chain interviewed disagreed with the promotions section of the standards, actively encouraging staff to give away free drinks to those who were on the premises to celebrate in order to improve the customer experience.

6.13 Summary of themes

In this section we consider the common themes emerging from our observations in the eight locations. Some relate to the whole industry, for example under-age sales, while others relate exclusively to the on-trade, for example serving alcohol to intoxicated people. For each theme we set out the relevant Social Responsibility Standard(s) and then summarise the main findings.

6.13.1 Underage sales

SSR 5.6.1 Retailers should follow a “No ID, No Sale” approach, for example Challenge 21, and this should be made clear using point-of-sale material and other information stating that under-18s will not be served. When age is in doubt retailers should request and only accept a legitimate form of proof of age such as a card with a PASS logo, valid driver’s licence (with photograph) or passport.

SSR 7.3.1 When practical, retailers should clearly display information at each alcohol display area and at the point-of-sale stating that under-18s and intoxicated people will not be served.

SSR 7.7.2 Where necessary, retailers should take steps to ensure that young people do not congregate outside a shop or supermarket in order to avoid such meeting places leading to anti-social behaviour. Retailers should consider such measures as:

- Removing any low walls from outside the premises.
- Removing any canopies that might provide shelter.
- Ensuring the area outside the store is well-lit.

Under-age sales remain a problem in both the on-trade and off-trade, reflecting at least in part the lack and inconsistency of enforcement action.

It has been suggested to us that progress has been made in the off-trade, for example through Challenge 21, the use of ID cards and better training for frontline staff. However, appropriate signage is often lacking, especially in small independent outlets, and we detected a lack of challenge. Proxy sales, often accompanied by young people drinking in groups, was a problem in all locations.

Under-age people entered on-trade premises during 27% of our visits. In venues attracting younger age groups we observed higher levels of intoxication. There are local variations in monitoring, for example the extent of test purchasing by local authorities.

ID cards

ID is checked in the off-trade only infrequently. In the on-trade we observed mixed practice, with some venues adopting very rigorous systems. Most reliance is placed on door staff

rather than bar staff who rarely check ID. Fake ID can be obtained quickly and cheaply, and other identification “borrowed” to gain entry. We encountered some successful schemes involving the confiscation of inappropriate ID and the use of scanners.

Company websites

SSR 4.4.1 Company websites also need to adhere to the above Standards. Companies should also consider following these additional guidelines with respect to their websites:

Carry a reminder of the need to adhere to the legal purchase age in the country in which the consumer is located.

Use age verification entry in relation to on-line sales

Although most large retailers are aware of their responsibilities regarding sales, less attention is paid to company websites. They vary in their interpretation of the Standard, including the security of the age verification facility.

Frontline staff

SSR 5.6.2 Disciplinary procedures should be in place for staff contravening such a policy

SSR 5.8 In order for a licensee to ensure compliance with the laws regarding the sale of alcohol, training of staff is vital. Retailers should:

- instruct all staff of the law and check their understanding before they are allowed to serve alcohol;
- provide the relevant company training/reference manual on the retailing of alcohol;
- consider formal qualifications to an appropriate standard (e.g. BII qualifications);
- if appropriate, training in how to deal with potential conflicts should be considered (e.g. situations arising from refusal to serve someone who is under the legal purchase age or already intoxicated).

SSR 7.3.2 Retail staff can often fail to challenge underage purchases or refuse sales to intoxicated people if they feel afraid of the consequences, abuse and violence. Retailers should try to ensure that their staff feel safe when serving and confident to challenge, and if necessary refuse, the customer.

Given the burden placed on frontline staff, they do not always receive the required support from management. Training for front line staff in the off-trade is more comprehensive than in the on-trade, but in neither case does it tend to be linked to formal qualifications. Where there are good training materials, they tend to be paper-based and omit practical support for dealing with refusals, for example.

The promotion and marketing of alcoholic drinks

SSR 3.1 The industry agrees, where feasible, to carry a sensible drinking message on advertising, point-of-sale and other communications, including labelling of products and to work with the Department of Health to develop such messages.

SSR 5 Promotions
SSR 6.3.1 Promotions Specific to the on-trade
SSR 7.4 promotions (off-trade)

The Portman Code has reduced the incidence of irresponsible marketing by producers and off-trade retailers, but has had less effect on the on-trade where breaches of the code are common. Labelling is not always customer friendly. The off-trade generally has a responsible marketing approach, with the exception of price promotions.

The serving of alcohol to intoxicated people

The law against serving known intoxicated persons was regularly flouted across all eight locations and all types of on-licence venue. We observed numerous incidents where proof of drunkenness was clear. Refusals to serve were rare. Enforcement by the police is seen as difficult and guidance given to bar staff is often vague. In many respects the commercial imperative is over-riding responsible practice.

Health and safety issues within venues

SR Regular collection of empty glasses and bottles is recommended particularly in the period immediately before closing. If necessary signage should indicate that leaving with glasses and bottles is not allowed.

SSR 6.5.1 Management of the premises should ensure that the risks of alcohol misuse are minimised. The premises should be monitored regularly, for example to clear away empty glasses, check the toilets and identify customers who are intoxicated or under the legal purchase age. Provisions for minimising risk of alcohol misuse will depend on a number of factors such as location, time, offering etc..

The main health and safety issues we observed related to glass usage and possible over-crowding in venues. All locations reported high levels of assaults leading to glass related injuries. In many observations, especially at vertical drinking venues, we also noted the risk of accidental injury from broken glass.

The ratio of glass collectors to bar staff is low in many venues and there is an inconsistent approach to the use of polycarbonate glasses.

We observed apparent over-crowding in some venues but could not confirm that the number of people exceeded the permitted capacity.

Controlled exit and dispersal

SSR 6.4.1 Where appropriate, licensees should prepare and implement a dispersal policy, in consultation with the Police and local licensing officers.

This tends to be more of an issue for town centre licensed premises, and we observed much good practice in controlling exit and dispersal. However, to some extent this good practice is responding to the symptoms of bad practice.



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KPMG LLP
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Across the locations police action in relation to dispersal varied considerably, some adopting a targeting approach and others being more reactive. In some areas the level of resources was seen as a major constraint affecting the response to dispersal issues.

7 Conclusions

7.1 The Role of the Standards

The key questions are:

To what extent are the Standards adhered to?

To what extent are the Standards fit for purpose and effective drivers for socially responsible practice?

How can social responsibility be best secured across the alcohol industry?

What is the impact of the Standards in contributing to a reduction in alcohol-related harm?

We consider that a fundamental issue to be addressed in reviewing the role and effectiveness of the Standards is to understand the different perceptions and interpretations of the terminology used by industry and non- industry stakeholders. The Oxford English Dictionary defines “Standard” as (*noun*) “**1.** a level of quality or attainment. **2.** a required or agreed level of quality or attainment. **3** something used as a measure, norm, or model in comparative evaluations”. However, in “googling” the term we found a definition which seems to epitomise the essential dichotomy that underpins the tensions between the various stakeholders in their expectations of the Standards of Social Responsibility. This is that “a standard is “Thou shall” while a guideline is a recommendation, more like “You should if your situation warrants”.⁴ We consider that in the eyes of some, the Standards are being interpreted as “recommendations” whilst others are expecting them to act in the more formal sense of a directive. This confusion needs to be resolved urgently.

An area where there is agreement is that it is clear from the many consultations carried out as part of this review, both with industry and non-industry stakeholders, that irresponsible drinking which leads to crime and disorder in society and health problems for the individual is regarded widely as a “cultural” issue. Typically, this term is used objectively in the sense that it is meant to reflect the values and behaviour of people who drink irresponsibly. But occasionally it is used defensively in a way that suggests the actions of industry stakeholders can have little or no impact on the problem.

To the extent that current problems are indicative of an underlying cultural problem the solution clearly lies in changing attitudes over a longer time period. Parallels are drawn with the consumption of tobacco and the acceptability of drink-driving. However, most stakeholders that subscribe to this theory equally accept that there are short to medium term actions that can alleviate, if not eliminate, the current problem.

The evidence from our observations is that often the activities of the on-trade in particular are contributing to the problems of crime and disorder, especially late at night in both rural and urban areas. The Crime and Disorder Partnerships in all cases are seen to be dealing with this, although, as the location reports indicate, there is a vast difference in the methods that are being employed.

⁴ Columbia State University

If the Standards were operating as we understand the Government originally intended, and the industry representatives wished them to, then they would be a catalyst for self-regulation, self-improvement and social responsibility throughout the industry which would correct the problem. They would supplement the mandatory requirements of the Licensing Act 2003 and so lessen the external regulatory burden of the local authorities, and reduce the impact on crime and disorder and the supporting health services. The evidence from our consultations and observations is that they are not achieving these objectives. As it is, local authorities, without the resources of a consistently socially responsible industry, are left dealing with the symptoms and not the cause. Whilst there are pockets of improvement, we would repeat the observation of the Government when it published its Alcohol Harm Reduction Strategy for England in February 2004, that there is some good practice across the alcohol industry, but that it is inconsistent.

7.2 Adherence to the Standards

We have concluded that currently the Standards are not being consistently adopted and applied across the whole of the alcoholic industry. This conclusion is based on national interviews and on the observation work and interviews carried out at eight locations. The output of this observation, including specific examples, is summarised in the previous chapter but is set out in more detail in the location reports and the technical appendices.

The level of compliance differs across the industry according to the type of business. For instance, in most cases, the marketing, packaging and labelling of alcoholic drinks has a high level of compliance across producers and in the major off-sales retailers. The recent Portman Group's independent audit of compliance of a sample of 485 products found that over 90% of products test sampled were compliant with the code. Our own observations would not be so positive and indicates that there is still some work to do in this area, but there has been considerable improvement supported by the enforcement levers of the Portman Code and the Committee of Advertising Practice, as well as raised public expectations.

Our observations and evidence from local stakeholders indicate that there is greater awareness and compliance in tackling under-age sales in the off-trade than the on-trade. The off-trade can demonstrate an increasingly successful performance in passing under-age test purchase sales. The results of the national Tackling Underage Sales of Alcohol Campaign (TUSAC) released by the Home Office in October 2007 show that in nearly 9,000 test purchase operations, underage shoppers were only able to obtain alcohol in 14.7% of cases - down from 20% failure in 2006 and 50% in 2004. On-trade compliance had a higher rate of non-compliance at 18%.

Local authorities have varied procedures for test purchases. Some use a risk based approach whilst others only respond to complaints. Subsequently off-trade test purchases appear higher than on-trade. In one local authority we visited, this resulted in over 400 off-sales test purchases over the last four years compared to 3 on-sales under-age test purchases.

There are some excellent examples of training materials produced for front line staff in the off-trade who bear the responsibility for compliance, although there is still too little emphasis on practical support for staff in finessing their judgmental skills to assess age, and very little use made of national accreditation as an incentive for staff and external validation for management. Evidence from both national and local industry and non-industry stakeholders indicates that the most difficult aspect of under-age sales to tackle is that of "proxy" sales,

particularly from the off-trade. We consider that greater partnership, consistency of approach and transparency between Trading Standards, the police and the industry locally and nationally is essential if this most difficult issue is to be tackled effectively.

However, neither the examples of compliance to the Portman Code on advertising, labelling and packaging, or the reduction of under-age test purchases can be linked directly to the impact of the Standards. One is a voluntary code with its own mechanism for enforcement which imposes stiff economic penalties, and the other is enforceable through the Licensing Act 2003. Breaches of the Licensing Act can lead to withdrawal of licenses which again has a major impact on a businesses economic existence.

Problems with adherence to any voluntary code are exacerbated when there is no reliable over-arching mechanism for enforcement. We found only one local authority across our locations which has incorporated the Standards explicitly into their licensing regime and is proposing to use them as a possible means of enforcement.

The main reason for limited adherence to the Standards in our view is that in the current trading climate the commercial imperative generally overrides adherence. In many instances we observed that promotion of responsible drinking is facilitated through use of relevant signage, but practice does not demonstrate adherence to either the spirit or enforceable principles of the Standards.

The evidence to support this conclusion is:

- **The encouragement/inducement of customers in clubs to consume more alcohol**, and to do so quickly, by way of promotions encouraging excessive sessions or pub crawl, links to sexual imagery or success or novel dispensing devices were observed across all locations in the on-trade.
- **Allowing young people into establishments who are clearly under-age**, and others whose age could legitimately be questioned, more than one in five observations across all locations we observed someone perceived to be obviously underage entering licensed premises.
- **Serving obviously intoxicated people** –on almost two in five occasions we observed an obviously drunk person being served in on-trade premises. The type of venue most likely to serve intoxicated people was the vertical drinking venue where 73% of observations noted this behaviour. The incidence of intoxication increased as the evening progressed and as premises became fuller. This trend was even seen in premises which displayed signage that intoxicated people would not be served.
- **Noticeably cheap drinks** were observed in both the on- and the off- trade.

At the national level organisations described substantial evidence of compliance with the Standards, but very often this does not translate into practice at the local level. This suggests that there is a breakdown in the delivery chain. Evidence to support this assertion is:

- **The fact that it is the signatory as the umbrella organisation that has signed rather than the individual member firm is very relevant.** This weakens the sense

of ownership of the Standards for the majority that are not active members, and especially for those who do not see alcohol as their main business focus;

- the way in which the Standards have been passed down to member firms has **significantly varied between signatory members and internally in member firms** down to their local outlets.
- **member firms of the signatory organisations also have their own codes**, which incorporate some aspects of the Standards, but do not make direct reference to them, therefore diluting knowledge of the Standards as a direct influence.
- The Standards **do not feature in training programmes of frontline staff** other than that offered by national accrediting bodies such as BII; there is little observed use of external accreditation for front line staff;

We note that even the large companies which are very active in the interface between the government and the industry and which can point to very good practice at national level, and some at local level, are not inclined to credit the Standards as the main driver of responsible practice; rather it is the economic necessity of being compliant with legislation and, for the nationals, being seen to be “*the best*”. This drives them to address weaknesses in compliance and engage in social responsibility activities to gain competitive advantage over their rivals.

Many firms invest relatively large sums in sponsoring programmes and projects that promote responsible drinking, willingly take part in exercises to monitor their performance and are very explicit on their websites about the effects of consuming alcohol. They can point to many initiatives they have taken through their Corporate Social Responsibility work. All these actions are consistent with promoting the adoption of the Social Responsibility Standards and there is no reason to believe this activity is not done with the right intent. In the case of some local projects such as the numerous Best Bar None schemes and the St Neots community pilot to tackle under-age drinking, there is tangible evidence of improvement. However, the whole approach to Social Responsibility is necessarily fragmented and in total we consider that it does not go far towards offsetting the poor practices of retailers who not only breach the Standards but the law. This poor behaviour of some of the off - and in our view, more often the on-trade, in effect boosts the margins of those same producers and retailers who seem to be demonstrating social responsibility.

7.3 Are the standards fit for purpose and do they drive socially responsible practice?

The evidence collected in this review suggests that the Standards are currently having negligible impact in either reducing bad practice or promoting good practice in any locality. In their current form they are not fit for purpose for several reasons. The supporting arguments are detailed below.

7.3.1 They lack specificity and focus.

It is unclear what parts of the Standards relate to which stakeholders. For example:

- The Principles are self-limiting in that member companies of the Trade Associations are only required to agree to follow them “ *within their own areas of responsibility*” but these areas are not clearly delineated;
- Lack of clarity of the standards in relation to the application of different components of the standards to industry sub sectors.
- Our observations have shown that some businesses are more vulnerable to breaches of the code than others, but these are not differentiated; for instance, establishments which provide for vertical drinking are more vulnerable than rural community pubs;
- The general tone is very tentative e.g., *where feasible, where appropriate, where necessary*, rather than providing specific guidance for specific situations. As we noted above, they are more “ guidelines” than Standards of expected behaviours.

7.3.2 A confusing mix of regulatory, self-regulation and voluntary requirements.

For example:

- There is no over-arching independent monitoring and compliance of the full framework in place; rather there is a general statement in Section one that “*Compliance with the Standards as set out in this document is monitored and publicly reported where appropriate by the relevant body or authority*” Some aspects of Sections 6 and 7 for instance, come under the regulation of the Portman Code, and/or the Committee of Advertising Practice, but these are not differentiated to make it easier for the consumer or non-industry stakeholders to use the Standards via these routes;
- The reference to local non-industry stakeholders is limited

7.3.3 A lack of cross referencing to the Licensing Act

Indeed, some people contend that the Standards are effectively redundant because the Licensing Act contains all the necessary provisions to effectively enforce the content of the Standards. Setting this view aside there are cases where there is a direct link between the Standards and the enforcement powers available in the Act, for example:

- All the behaviours identified in the on and the off-trade section can, and in some cases do, become conditions of licenses or points for review;
- The responsibility of management in 6.5.1 contains several that are legal pre-requisites such as the requirement to identify customers who are intoxicated so that they may be refused service, but are simply expressed as desirable behaviours;
- Similarly, the weakness of the Standards as a means of reducing crime and disorder is illustrated in Section 6 which makes it appear optional for licensees to take responsibility for the end of trading sessions to minimise the potential for disorder and disturbance as customers leave the premises.
-

7.3.4 A lack of balance

The Standards are seen as placing too much emphasis on some issues, for example the labelling and packaging of alcoholic drinks, but insufficient attention to some other areas, notably the behaviour of licensees at the point-of-sale.

- Section 4 applies to the on-trade as much as producers and the off-trade, but this is not made clear; the selling of cocktails, shots, and shooters of unspecified alcoholic content is clearly a breach of the Standards and the Portman Code.
- Although it is made clear it is illegal to sell to persons under the age of 18, and there are suggestions as to how to prevent this, there is less emphasis on the responsibility not to serve to intoxicated people and how this may be prevented.

7.3.5 Ineffective drivers of socially responsible practice

The core evidential basis that the Standards are not the key drivers of socially responsible practice is described in more detail in the earlier sections of the report. The major reasons are:

- The lack of an over-arching independent enforcement mechanism for the implementation and operation of the Standards – compliance is only possible in respect of legal requirements (which do not require the Standards) or via the voluntary Portman Group codes, or the self-regulatory codes of the Committee of Advertising Practice. The lack of any systematic use of the Standards by non- industry stakeholders is testament to their lack of applicability to contributing to the LAA reduction of crime and disorder and the reduction of alcohol harm targets that are a key feature of Local Strategic Partnership activity.
- The inconsistent role played by partner agencies in local settings – this is proactive in some places and low key in others, good in places, low key in others. The Standards play no direct part in encouraging a partnership approach between the local stakeholders and the local alcohol industry. Only in one location have we observed the Standards being proactively incorporated in the Licensing conditions, and even here the authorities were seeing them as an additional means of compliance and struggling to use them effectively because of the lack of the enforcement mechanism.

It is widely accepted that the problems arising from irresponsible drinking needs to be tackled from a cultural angle (like tobacco). In the short to medium term, in order to address the deficiencies identified in this review, the Standards may need to recognise alcohol harm is a multi-faceted problem requiring the roles and responsibilities for many stakeholders to be agreed in a partnership setting, both at national and local level.



7.4 What is the role of the Standards in contributing to a reduction in alcohol-related harm?

To date, we have not assembled any evidence which suggests there is any direct causal link between the impact of the standards and a reduction in alcohol-related harm.

8 The Standards: An Options Review

8.1 Introduction

From the evidence assembled in our review we have concluded that the Standards are not contributing to the national alcohol strategy as much as either the industry or the Government had intended when they were launched. In short, they are not fit for purpose and thus not an effective driver of change towards good practice.

In this section we have developed and explored some options for Government to put in place a more effective mechanism to help ensure the alcohol drinks industry and non-industry organisations address the causes and impact of alcohol harm. We have not carried out a full options appraisal, for example in the form of a cost benefit analysis, a regulatory impact assessment, or a risk analysis. The purpose of this section is to promote discussion about potential options in the light of the evidence from this review only.

In section 8.5 we set out three broad options for a new model and, on the basis of the evidence collected in this review, we suggest a preferred option. However, before putting forward these models, we set out:

- The principles and criteria against which potential options should be considered (section 8.2);
- A set of features that each model would need to address; the need for Social responsibility Standards at all, the extent of self-regulation, the emphasis on enforcement, funding, and the implementing body (with overall responsibility).

To help consider the pros and cons of different models we have set out examples of regulatory mechanisms from other industries, further details of which can be found at Technical Annex section 8. We have also taken into account publications that define good regulation, principally the *Principles of Good Regulation* published by the Better Regulatory Task Force, and the section on credible self-regulation taken from the National Consumer Council's *Models of Self-Regulation*. The Task Force five principles and the NCC checklist are reproduced in the Technical Annex section 9.

Also, we have borne in mind one of the key principles of better regulation, namely that Government should intervene only where market forces either fail to deliver solutions or cause significant damage. Given the potential impact of the alcoholic drinks industry on economic, social and environmental well-being it is clearly appropriate for Government to review the extent to which it needs to intervene.

8.2 Principles and Criteria

Before considering the options we set out here five criteria against which they should be evaluated. We have based these criteria on the findings and conclusions arising from this review. They are:

Criterion 1: It should enhance the partnership approach between the industry and non-industry stakeholders at both a national and local level.

We recognise the progress made to date in developing dialogue between the industry and the government at a national level, and we have seen very good examples of local partnership working between the industry and non-industry stakeholders. Many of the Standards' signatories show great commitment to working with Government. Supporting community initiatives, helping regenerate urban centres, and investment in initiatives to promote responsible drinking are all examples of this commitment.

However, there is consensus that the issue of alcohol harm is a multi-faceted problem (although there may be less agreement about the relative importance of its causes). In our view this demands an increased partnership approach, especially between the industry and non-industry stakeholders at a local level. It requires a shift from typically short term, ad hoc, projects towards a more strategic approach focusing on the outcomes and impact of a coherent programme. This partnership working could be closely bound in with negotiation and delivery of Local Area Agreements, and the alcohol harm reduction strategies.

Criterion 2: Any requirements placed on the industry should be nationally and locally enforceable in a consistent way, and capable of independent external monitoring.

The present Standards lack credibility with many stakeholders because they are not seen as being capable of being enforced. Indeed, improving the enforcement of existing legislation is seen by some non-industry stakeholders as crucially important, notably under-age drinking and the sale of alcohol to intoxicated individuals. For enforcement to be most effective, the support of a socially responsible industry is necessary. Also, there needs to be clarity about which agency is enforcing which aspect of the legislation and relevant Standards.

Additionally, there is no consistent practice in data collection and data sharing across agencies that enable the Standards, and the impact of any local and national measures to support them, to be monitored. Furthermore, there are inconsistencies in the approach of local agencies to enforcing current legislation, for example in the extent to which conditions are attached to the Licensing Agreement.

Criterion 3: Any non-statutory requirements placed on industry should have clear links (where appropriate) to the legal framework for the industry

In its review of the Licensing Act 2003, the Government stated that the Licensing law will remain an important part of the Government's National Alcohol Strategy. However, new legislation is not always the best solution to regulation. Clearly, the Government is looking to support and develop the effectiveness of national and local alcohol strategies as ways of achieving compliance with the Act. Examples include the new Beacon Council theme 'Afterdark' (launched on 4 March 2008), the roll out of Best Bar None, and the Civic Trust's purple flag initiative.

To the extent that the Government does not look to legislation alone to achieve its objectives, any revised initiative should be linked to the Licensing Act 2003. Self-regulation has an established history in the UK. Where self-regulation operates well, it operates with the sanction, or support or threat of the regulatory state.

Criterion 4: Any change to the Standards should encompass all parts of the industry and not be limited to signatory members.

In part, this criterion is related to the first one about an improved partnership approach. First, we have concluded that the Standards (although voluntary) would have been strengthened had they been signed directly and individually by member firms as well as the signatories themselves. Second, and consistent with a partnership approach, we consider that any revised Standards should apply across industry i.e. to producers, on-trade and off-trade, irrespective of whether they are members of trade associations. Harnessing the power of the whole industry offers the best prospect of making real progress to tackle alcohol-related harm.

Criterion 5: Any future initiative should seek to put consumers (and their peers or guardians) in a knowledgeable and hence influential position to support responsible drinking

Many stakeholders have suggested to us that the causes of alcohol harm relate to underlying cultural issues as much, if not more, than poor industry practice. Through various initiatives, such as awareness campaigns and labelling schemes, consumers of many products e.g. tobacco, have become more knowledgeable about the potential harmful effects of (over-) consumption or misuse. In that way they may either moderate their own consumption or exert pressure on others to moderate their consumption.

It may be argued that some of these pressures already exist in relation to the consumption of alcohol, for example around drink-driving. On the other hand, evidence uncovered in this review shows there are often incitements to increase consumption beyond what may be regarded as reasonable. Ideally, therefore, future initiatives relating to the alcohol industry would help to address the “cultural issue” by encouraging sensible peer pressure.

8.3 Features of models to consider

In this section we consider some of the **features** of alternative models which need to be considered in carrying out a full options appraisal. These are:

1) The extent to which the Social Responsibility Standards should form part of the solution

A key question is whether the Social Responsibility Standards (as now or as revised) are required to promote socially responsible practice and compliance with the relevant legislation. Any new model could be based on discontinuing, maintaining, or revamping the Standards.

First of all, we have concluded that withdrawing the Standards and relying on existing instruments i.e. Licensing Act, operating agreements, would not be feasible, primarily because it would send out the wrong message to the industry. Nor would it meet any of the

five criteria above. However, given that our review has shown locally there is a low awareness of the Standards, and that we have been unable to establish any obvious causal link between the Standards and either promoting good practice or reducing bad practice, this action may have negligible effect on local practice.

Second, given the conclusions from this review, we do not consider that maintaining the Standards in their current form is feasible. They need to be modified and changed in several ways to bring them up to date so they can have real impact. And they need to be promoted heavily to raise awareness.

Third, we consider that a complete overhaul and redrafting of the Standards could address some of the identified weaknesses and complement legislation to bring about better practice. As part of this revision the Standards could be made **more specific**, such that for any one standard or principle there is a clear pass/fail test. Also, they could be **broadened in scope** such that the role and responsibilities of all partners (not just those in the alcohol industry) are defined clearly. This would go some way to fostering local partnership.

2) The balance between self-regulation and direct intervention

Many players in the industry can demonstrate socially responsible practice. The work of organisations such as the Portman Group is held in high respect. The industry is littered with examples of codes of practice, the sponsorship of projects, and initiatives to promote responsible drinking and alleviate the symptoms of irresponsible drinking. This catalogue of evidence could be interpreted as showing that the industry on its own is capable of policing itself.

On the other hand, this review has shown that:

- There remains a considerable amount of alcohol abuse because a significant number of players, especially in the on-trade, are not taking appropriate action;
- For some organisations, there is a difference between published national policy and what actually happens locally on the ground;
- Locally, apparent compliance, for example signage relating to Challenge 21, is not out into practice; and
- The Standards (and the related legislation) are neither being monitored nor enforced in an adequate or consistent way.

Based on this evidence it is our view that the balance needs to shift significantly from self-regulation towards direct intervention if there is an appetite to reduce or eliminate the bad practices uncovered in this review.

3) Enforcement

Most stakeholders contend that the legislation to control poor practice exists already. Any new model should consider to what extent there needs to be a change in enforcement practice, for example:

- Whether there needs to be greater central direction or guidance to promote consistency, or whether there should be local autonomy;

- How Government departments and local agencies might work together in a more collaborative way; and
- How tough the regime should be, and whether it requires different sanctions.

There is sufficient evidence from this review alone to show that many practices are going unchecked, and that there is an inconsistent approach to enforcement. A more stringent approach which could potentially affect the business interests of retailers would be taken seriously. However, any national diktat may be seen compromising local autonomy, and it would no doubt lead to requests for additional resources. Also, if used alone as single instrument it would risk undermining one of our key criteria, namely to foster more partnership working and ownership by the industry.

4) Funding

There may well be funding implications for any new model. Additional funding could be found from one of, or a combination of, several sources, for example:

- Additional central Government funding, potentially challenged through local authorities, police authorities, etc.;
- A voluntary redistribution of existing resources by local authorities if it was made clear that enforcement action should be given a higher priority (for example, to achieve the Public Service Agreement or objectives of Local Area Agreements);
- A levy placed on local establishments (a local tax) that would be payable to the local authority i.e. “the polluter pays” principle;
- Fines payable by establishments or organisations that transgress the law being routed directly into local authorities and police authorities to fund monitoring and compliance work.

It is alleged that there are currently insufficient resources to tackle the problems caused by non-compliant establishments. Certainly, some licensing authorities operate with small budgets. Whilst it is a political decision (both nationally and locally) as to whether more resources are required, and should be deployed, on compliance and enforcement work there is strong evidence from this review that many illegal practices are going unpunished.

Local solutions based around a levy placed on establishments may prove to be unworkable because of the protracted negotiations required to reach agreement on an equitable charging mechanism and the distribution of the proceeds. It would be likely to work best where there is already strong partnership working.

Using the proceeds of fines levied against non-compliant premises could help (at least in part) to fund the continued work of enforcement agencies. There are some parallels for this principle e.g. the management of on-street parking. However, if such a system was perceived to be applied aggressively as a revenue earner it may lead to a breakdown in the trust and joint working between local agencies and the industry.

8.4 Other regulatory models

We have considered a range of other models from other consumer based industries. These regulatory systems are:

- The Food Standards Agency (FSA). This is an example of establishing an independent oversight through a new agency with enforcement powers and a range of sanctions;
- Ofwat. This is an example of a regulatory body with enforcement powers and a range of sanctions to oversee and monitor practice within the industry. It has powers, independent of Government, to set price limits on the products of the companies it regulates;
- Gambling Commission. This combines an oversight role of the gambling industry with a consumer care role for people who suffer from gambling harm. The costs of the regulator are met mainly by licence fees from the gambling industry;
- The Association of British Travel Agents (ABTA). ABTA is an example of a self-regulatory system run and funded directly by the industry which is able to demonstrate a high level of public confidence. However, it has been criticised publicly for failure to take tough sanctions against its members;
- The Ombudsman for Estate Agents scheme (OEA). This is a relatively young self regulatory body. It is only one of several voluntary schemes which aim to interface between the industry and the consumer. This is an example of a perceived weaker self-regulatory scheme that may well be superseded by tighter external regulation;
- The Portman Code. This is an example of the present level of self-regulation in the alcoholic drinks industry. Although ostensibly part of the Standards, it is the only aspect of the Standards that has a self-regulatory and enforcement element to its code. It also has a mechanism for review of its code.

The major difference between the Standards and all of these models, including the Portman Code, is the lack of a strong independent enforcement strand. All the others have a mechanism to enforce compliance and provide sanctions for breaches. The difference between these other models is in the independence of these mechanisms and the balance between self-regulation and externally imposed regulation.

We suggest that the learning points from these and similar models can inform any full option appraisal subsequent to this review. More information on these models, together with their advantages and disadvantages in meeting the five criteria outlined above, is given at Technical Annex section 8.

8.5 Options for new models

On the basis of (1) the principles and criteria, (2) the features which need to be addressed, and (3) models used in other industries, we put forward three basic models that vary primarily around the extent to which there is an industry-led approach or Government intervention. There are a range of other options that are technically outside the scope of this review. These would address issues such as competition policy, amendments to the Licensing Laws, and potentially wider legislative changes.

These three models are:

Option 1: A self-regulation model

This model would be based on an enhanced system of **self-regulation**. It might, for example, be based on an extension of the Portman Code. The industry would need to enter into dialogue with Government and bring forward proposals for implementation, monitoring and review that were compelling in terms of the application of the (revised) Standards and the meaningful way in which they would be policed. As noted under criterion 3 above, there would also need to be agreement on the contingency (backstop) arrangements should self-regulation be seen to be not working.

Whilst this review has noted the excellent work done by many organisations, especially producers and their representatives, to demonstrate the principles of self-regulation, it has also noted the many poor practices, particularly in the on-trade, going unchecked. Although responsible producers and retailers would be capable of drawing up revised Standards we are not convinced that they could do so in a timely fashion which would command the support of the whole industry.

Option 2: A local government led approach, working to national standards

In this model local authorities would take the lead in devising and implementing a strategy, in partnership with other agencies, to monitor and ensure compliance with a revised set of Responsibility Standards and the attendant legislation. Clearly, at a local level this is closely related to the Alcohol Harm Reduction Strategy and the Crime and Disorder Reduction Partnership. However, local authorities would carry out this function in the context of a set of conditions from central Government. These would include:

- The adoption of the revised Social Responsibility Standards as a mandatory condition of the Licensing Agreement. As stated earlier these Standards would set out the roles and responsibilities of all players in the industry, as well as the role of all agencies outside the industry;
- A national agreement for greater enforcement of existing legal frameworks, (which would require partnership across Government, as well as multi-agency working at the local level), with clear roles and responsibilities for all partners;
- Guidelines on data sharing between local organisations;
- (Potentially) a revised set of sanctions that could be applied to non-compliant premises, including fines retained by the levying authority and temporary closure orders.

Government would need to take this initiative forward directly, in consultation with the industry and representatives of local government. This option could most likely be implemented more quickly than either waiting for, and negotiating on, a new system of self-regulation, or creating a new regulatory body. It would help ensure the adoption of nationally consistent practice.

Option 3: A new national regulatory body

A **new agency** or a **new regulatory body**, possibly with enforcement powers and a range of sanctions to oversee and monitor practice within the industry, may offer an independent solution. The objective of such a body would be to monitor the (revised) Standards more effectively and consistently across the country, working in partnership with other stakeholders which have a related remit e.g. local authorities, professional bodies such as ACPO.

Such an organisation could take responsibility for bringing in revised Standards and could oversee a national agreement for greater enforcement. It could be funded (at least in part) by the industry itself. A new organisation could be used to help and support the implementation of option 2, although in this role it may be smaller.

An alternative to the creation of an entirely new organisation would be the extension of the role of an existing agency such as the Food Standards Agency so it became the Food and Drink Standards Agency.

The creation of such a body may not necessarily be the next immediate step but could be held in reserve if another option is not seen to be successful in making progress.

8.6 Recommendation for a preferred option

This review clearly shows that there is significant evidence of breaches of the current Standards and, where relevant, the Laws to which these Standards relate. It has also found a low awareness of the Standards. It demonstrates that the Standards are no longer fit for purpose in that they are not having, nor are they regarded by non-industry stakeholders as having a material impact on promoting responsible drinking or reducing irresponsible drinking. We have concluded that allowing the industry further time to bring forward a tighter system of self-regulation and demonstrate greater compliance (Option 1 above) is not a preferred option.

We have concluded that the Standards should be strengthened and enforced more effectively by Government, industry and other agencies working more closely in partnership at a national and local level. Further, we have concluded that Government should spearhead this initiative in the short term but could place local government in the pivotal role as implementer. We see a necessary pre-condition of this model being a set of mandatory conditions and other guidance that should be put in place locally to help ensure compliance. **This is our preferred option (Option 2).**

If Option 2 is perceived by Government to be making inadequate and effective progress then it could look to the more radical option of creating a new agency, and potentially greater strategic regulation. We recommend that this option (Option 3) should not be pursued immediately but kept in reserve. Certainly, it cannot be ruled out on the basis of evidence assembled in this review.

1.1.1 Preferred Option:

A local government led approach, working to national standards; local authorities would carry out this function in the context of a set of conditions from central Government

8.7 Conclusion

The operating context for the Social Responsibility Standards has changed significantly since 2005 and the evidence collected in this review shows that they are no longer fit for the purpose for which they were designed originally. Revised Standards, which have greater specificity, are applied across the industry, and clearly define the respective roles of all players, represent the best way forward.

On their own, revised Standards will not correct the type of non-compliant practice observed in this review. The Home Office should carry out a full options appraisal to examine the types of regulatory models suggested in options 1 to 3 above. The comparisons of alternative models made above are necessarily incomplete and require further detailed examination, in consultation with industry and non-industry stakeholders.

This review has generated a significant amount of evidence (both quantitative and qualitative) to support the findings and conclusions. It has been a snapshot of the national picture – observations of over 500 premises in eight locations over a five day period in February, coupled with consultations with over 100 organisations. The selection of sites, the timing of the observations, and the methodology used can (and will) be challenged, sometimes to deflect attention away from poor practice. The Home Office may wish to consider what further value it could extract from the rich evidence base and how it might be supplemented, for example by carrying out further fieldwork during the summer months when alcohol abuse is perceived by local stakeholders as being a much greater problem.

In conclusion we can say from the findings of this review that, whatever the causes of irresponsible drinking are, there is sufficient evidence on the ground to show that both the Social Responsibility Standards and related legislation are being flouted on a scale that suggests corrective action and Government intervention is required. On a positive note, from our consultations we also know that there is a critical mass of very responsible stakeholders within the industry, as well as many non-industry stakeholders such as local authorities and the police, prepared to work collaboratively to address the unarguably unacceptable symptoms of alcohol abuse that we have witnessed during this review.



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