

## Brexit now means Brexit

### Suzanne Davies, director of Clifton Davies Consultancy Limited, comments on possible legislative change arising from the current political landscape

**I** wrote a month ago about increasing economic uncertainty for your industry in the post-Brexit vote era.

However, since then the prime minister has delivered a speech announcing, among other things, that the UK will leave the single market. This has gone some way towards answering some of the questions that had led to that uncertainty.

The speech led to some positive reaction from the main industry bodies, with BBPA chief executive Brigid Simmonds describing as “heartening” confirmation by the prime minister of her support for competitive tax rates for UK businesses and her acknowledgement of the value of the UK’s food and drink sector to the British economy.

These points were also picked up by ALMR chief executive Kate Nicholls, who said: “Recognition of the good work we do, and the positive contribution we make economically, is a good first step but it must be followed by decisive action.”


Reflecting a longstanding ALMR cause, Nicholls focused on the opportunity that Brexit provides to cut VAT for the hospitality sector, saying “with property and wage costs rising, a lower rate of VAT for pubs, bars and restaurants would free some capital for employers, allowing them to invest and grow.”

Other aspects of Theresa May’s speech relevant to your industry included:

- The government’s intention to protect and build on the rights of workers set out in European legislation, so that it keeps pace with the changing labour market and that the voices of workers are heard by the boards of publicly-listed companies for the first time.
- Her stated intention to ensure that a

reciprocal deal is agreed that protects European citizens’ rights to remain in the UK, prompting comment by Nicholls that “securing the right to remain for our enormously valuable team members is crucial to the ongoing success of the UK’s hospitality sector” and by Simmonds that “it is important that British firms, particularly in the beer and pub sector, can continue to seek international talent for soft skills shortages, including non-graduates, in the UK, and we await further details of how any new work permit system might work.”

Sticking with politics, the BBPA has joined forces with CAMRA and the Society of Independent Brewers to urge MPs to support the beer and pub industries by writing to the chancellor to support calls for a cut in beer duty in next month’s Budget. They say that this would help encourage investment, protect jobs and improve confidence in the sector. Simmonds has added that “our sector supports almost 900,000 vital jobs and contributes over £23bn to the economy, and we believe our industry should be supported to ensure we can continue to invest in jobs, particularly for young people.”

Another Budget priority for your industry is business rates reform, a subject on which the ALMR continues to take a leading role, most recently calling on the government to “take action to drastically reduce the business rates burden being faced by licensed hospitality venues which is stifling investment.” As and when the clouds of uncertainty on all of the above start to blow away, rest assured that we will keep you up to date on all the relevant legislative changes that take place and how they will affect you and your business. 

## Questions & Answers



### Q: Could permitted development rights for pubs still be abolished?

A: The answer is “yes”, notwithstanding David Clifton saying correctly in the last edition of Pub & Bar that such a proposal in the Neighbourhood Planning Bill tabled by the Save The Pub Group was defeated by a House of Commons vote in December. The same proposal is now being debated at the House of Lords Committee stage of the Bill which commenced last week.

### Q: I have read that I need to get a licence to show ordinary TV broadcasts in my pub. Is that right?

A: You are referring to recent changes to section 72 of the Copyright, Designs and Patents Act 1988. Previously the law allowed organisations that do not charge for admission to show television broadcasts and any film contained in the broadcast without needing the permission of the copyright holder. This led to some pubs relying on this exemption to enable them to show exclusive subscription television broadcasts without paying for the required commercial licences, often attempting to remove the creative aspects of sports broadcasts by switching off the sound, placing cards over logos, or using masking technology which obscures logos. This prompted the change in the law, meaning that those wishing to show broadcasts in public may now need to gain the permission of film rights-holders to show the film contained within a broadcast. The Intellectual Property Office advises that “pubs showing free-to-air broadcasts may need to check with broadcasters that they are permitted to show the films contained within a broadcast”. If required, the Motion Picture Licensing Company issues “umbrella licences”; information can be found at [themplc.co.uk](http://themplc.co.uk).

### Q: Does a pub listed as an asset of community value (ACV) stay on the list forever?

A: No. An ACV remains listed for a period of five years from the date it was first listed, after which it will be removed meaning that it would then need to be re-nominated and reconsidered by the local authority.

## Clifton Davies Consultancy Ltd



Clifton Davies Consultancy Limited is a consultancy business (not a law firm) which specialises in all licensing, gambling and regulatory issues affecting the pub and bar industry. David Clifton and Suzanne Davies are also consultants to Joelson JD LLP. The views expressed are given without any assumption of responsibility on their part. If you have any questions, do get in touch and they will be pleased to provide answers, either via this page or direct.

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