



ACS Submission: Home Affairs Committee Policing for the Future Inquiry

1. ACS (the Association of Convenience Stores) welcomes the opportunity to respond to the House of Commons Home Affairs Committee's inquiry into the future of policing. ACS represents 33,500 local shops across the UK including the Co-Op, Spar, One Stop and thousands of independent retailers (more information about ACS and the convenience sector can be found in Annex A).
2. Crime against convenience stores costs an estimated £122m to the sector in the last year, taking into account the amount retailers invest, the total cost of crime per store was £3,750¹. This is equivalent to a 3pence crime tax on every customer transaction². Shop theft continues to present the biggest cost to retailers as it remains the most prevalent form of crime in the convenience sector, followed by violence and verbal abuse and robbery and burglary. Retail crime also present a huge challenge for police forces as its high volume, low value nature is difficult to manage.
3. ACS believes that for police to tackle retail crime effectively when policing budgets are reduced, there must be increased partnership working between police and retailers. This partnership working must work across a range of different areas for examples collecting evidence, reporting, and expectations in terms of response priorities and times. We recognise that the police are under significant budgetary pressures, but we do not believe that crime against retailers can be ignored.
4. In this submission, ACS sets out the increased trend in crime against convenience retailers and the extent to which the police are currently able to manage retail crime.

Current and future crime trends and their implications for policing in England and Wales, including emerging or growing categories of crime (such as online crime and child sexual abuse) and under-reported types of crime.

5. Crime against the retail sector is growing despite increasing investments in crime prevention measures, with £1,379 on average being invested in each convenience store last year³. Therefore, the police have an incredibly important role to play in tackling retail crime and considering how they will tackle it in future with limited budgets and resources.
6. To support the Committee's understanding of the growth in retail crime, ACS conducts an annual survey of convenience retailers' experience of crime in the last year. The results of the survey from ACS Crime Report 2016 details the incidences of crime, the cost of crime, investment into crime prevention measures as well as providing information on crimes such as shop theft, violence and verbal abuse and

¹ [ACS Crime Report 2016](#)

² ACS Crime Report 2016 (cost of crime) & ACS Local Shop Report 2015 (sales)

³ ACS Crime Report 2016

robbery and burglary. We have set out data on shop theft and violence below, the full report is available online.⁴

Shop Theft

7. Shop theft remains the most prevalent crime against retailers, costing the convenience sector an estimated £43 million per year. This figure is likely to significantly underestimate the real cost as many retailers find it difficult to detect shop theft (both internal and external). The inconsistent response that retailers currently receive from the police in relation to shop theft also promotes a vicious cycle of underreporting. Retailers estimate that only 52% of shop theft incidences were reported to the police in the last year.⁵
8. Despite challenges with detection and under-reporting Office for National Statistics data found that in the last year the number of shop theft incidents had increased by 5% to 349,296 incidents⁶, making it the highest volume of shop theft recorded since the introduction of the National Crime Recording Standard in 2003⁷. Despite its cost and prevalence in the sector, shop theft is often perceived as 'low level' and is often overlooked by some police forces.
9. We would welcome consistency across police forces on the police procedure for responding to incidents of shop theft. For example, we believe that police should always respond to incidents of shop theft where there has been aggravating factors such as violence or aggression towards retailers or their employees. However, if an offender has stolen goods and left the premises, it might be more appropriate for the retailer to report the incident through the non-emergency phone number, receive a crime number and for the police to engage with the retailer directly at a later date. Currently there is not a clear understanding between retailers and police about reporting and response expectations.

Violence and Verbal Abuse

10. Convenience store staff encounter a number of triggers for violence and verbal abuse during a typical working day. The biggest triggers for violence and verbal abuse for convenience store staff are enforcing age restricted sales, such as alcohol and tobacco, refusing the sale of alcohol to intoxicated persons, and preventing shop theft. There were 10,946 incidents of violence resulting in injury recorded in the last year in the convenience sector. While there were an estimated 1,836 incidents in the sector which featured the use of a weapon, including the use of knives, firearms and imitation firearms.
11. The latest figures from the British Retail Consortium Retail Crime Report 2016 also highlight that violence and verbal abuse increase by 40%⁸. This trend is unlikely to change unless action is taken to further deter potential offenders from assaulting shop workers. Bringing penalties for violent offences for shop workers, or people serving the public, in line with assaults against public servants is necessary to reflect the important role that retailers and their staff perform during the course of the work.

⁴ ACS Crime Report 2016

⁵ ACS Crime Report 2016

⁶ [ONS: Crime in England and Wales shop theft year ending September 2016](#)

⁷ [Office for National Statistics: Crime in England and Wales: Year ending September 2016](#)

⁸ [BRC Retail Crime Report 2016](#)

The extent to which the police are sufficiently equipped to deal with these changing patterns of crime and other operational demands, such as mental health crisis work, and where gaps in capacity and capability are likely to lie.

12. A visible policing presence is important for the prevention of retail crime. Retailers report that their Police Community Support Officers (PCSO) remain a key point of contact to discuss issues they are experiencing, whether it relates to anti-social behaviour or a spate of shop theft in the area. As part of [ACS' guidance](#) to retailers on how to prevent crime, we encourage retailers to work in partnership with local police, other businesses and the community. We believe it is important the retailers have direct contact with a dedicated community police officer or PCSO.
13. While we understand that police forces have limited budget and resources to address business crime. Where police budgets are being eroded, we want to see proactive action to help retailers work with police to deal with offences in appropriate ways. For example, some retail business and police forces have been trialing "Primary Police Partnerships".
14. Primary Police Partnerships take a similar approach to Primary Authority partnerships for the enforcement of regulations between businesses and regulators. Primary Police Partnerships work on the basis of a business agreeing one approach to reporting shop theft incident, for example using a reporting form, and agreeing how police will respond to different types of offences. This results in reduced administrative burdens for police and certainty from the retail business that incidents are being reported, recorded, and acted upon.
15. These Partnerships have the potential to ensure consistent reporting and response times across the country for businesses. The Home Office National Retail Crime Steering Group is currently reviewing how the trial of these partnerships has been received and recommend the committee monitors this activity closely.

Out of Court Disposals

16. The challenge of the shop theft being a 'low level' offence is reinforced when it is not dealt with through an appropriate response from the justice system. The most common way for police to deal with shop theft offences is through an out of court disposals, such as a penalty notice for disorder, or a caution. It is important that Police have a range of sanctions available to them to deal with shop theft offence but these must be used appropriately and where there is a persistent, aggressive or alcohol or drug dependent offender police must escalate cases by referring them to the Crown Prosecution Service.
17. The Government undertook a review of the Out of Court Disposals system in 2014 and ran a trial in two police areas of a new system in 2015. The evaluation of the system has yet to be published by the Government or further recommendations on how the system will be reformed. The latest Ministry of Justice figures⁹ show that 10,901 OOCDisposals were issued in 2015, only 45% of these were paid in full. 39% of these fines were registered with the court and the outcome is unknown. We agree that the Police must be equipped with a range of sanctions and powers but

⁹ [Ministry of Justice: Criminal Justice System Statistics Quarterly: December 2015 \(Out of Court Disposals Tool\)](#)

these must be effective in breaking the cycle of offending and as policing budgets are reduced overuse of these penalties to deal with 'low level' offences could be an issue.

18. The extensive use of OOCs for shop theft, especially for repeat offenders has devalued any deterrent these penalties had. In 2015, the Home Affairs Select Committee published their report¹⁰ on the use of the of OOCs which concluded that they are not designed to deal with persistent offenders¹¹. The Committee also found that up to 30% of OOCs were used inappropriately. Police must have a range of sanctions at their disposals to deal with shop theft - out of court disposals should not be the default penalty for shop theft offences. Therefore, we recommend that out of court disposals only be used for first time offenders and the committee look closely at how OOCs will be used in future if policing budgets are squeezed further.

The role of digital technology in policing, including take-up, risks and barriers to use.

19. We believe that digital technology does have a role to play in tackling business crime. We would encourage the Committee to consider how organisations including the National Association of Business Crime Partnerships and National Business Crime Solutions collation of data and intelligence sharing can support the police tackle repeat offenders and travelling criminals. We also welcome the creation of the National Business Crime Reduction Hub that will be a central point to provide guidance for police forces tackle business crime.
20. Digital technology can also have a role to play in reporting incidents of crime. Giving retailers the option to choose which way they would want to report crime, such as reporting online, could help facilitate the crime reporting process. Police forces should engage with their local community and local businesses to consider whether online reporting could lead to increased engagement in their police force area. The Committee should consider the case studies below from crime partnership organisations on how digital technology could be integrated within policing.

National Association of Business Crime Partnerships	Business Crime Reduction Partnerships operate in a number of towns and cities across the UK, where information-sharing and partnership working with police, local authorities and other agencies help businesses reduce the impact and cost of crime against them, their staff and the communities they trade in.
National Business Crime Solutions	National Business Crime Solutions (NBCS) provides a central point for businesses to share their data. It aims to collect, collate, analyse and disseminate information relating to burglaries, robberies and fraud which impact on its business members.
National Business Crime Reduction Hub	The National Business Crime Reduction Hub will act as a central point to provide businesses access to guidance on how to tackles crimes against their business. The hub will also aim to support police forces deliver a cohesive response to business crime.

For more information, please contact Julie Byers, ACS Public Affairs Executive at Julie.Byers@acs.org.uk or call 01252 515001.

¹⁰ [Home Affairs Select Committee: Out of Court Disposals Report](#)

¹¹ [House of Commons Home Affairs Committee: Out-of-Court Disposals](#)

ANNEX A

ABOUT ACS

The Association of Convenience Stores lobbies on behalf of over 50,000 convenience stores across mainland UK on public policy issues that affect their businesses. ACS' membership is comprised of a diverse group of retailers, from small independent family businesses running a single store to large multiple convenience retailers running thousands of stores.



Convenience stores trade in a wide variety of locations, meeting the needs of customers from all backgrounds. These locations range from city centres and high streets, suburban areas such as estates and secondary parades, rural villages and isolated areas, as well as on petrol forecourts and at travel points such as airports and train stations.

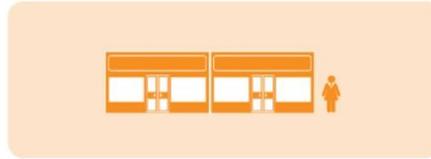
WHO WE REPRESENT

INDEPENDENT RETAILERS



ACS represents 22,315 independent retailers, polling them quarterly to hear their views and experiences which are used to feed in to Government policy discussions. These stores are not affiliated to any group, and are often family businesses with low staff and property costs. Independent forecourt operators are included in this category.

SYMBOL GROUPS AND FRANCHISES



ACS represents 17,330 retailers affiliated with symbol groups. Symbol groups like SPAR, Nisa, Costcutter, Londis, Premier and others provide independent retailers with stock agreements, wholesale deliveries, logistical support and marketing benefits. Symbol group forecourt operators and franchise providers like One Stop are also included in this category.

MULTIPLE AND CO-OPERATIVE BUSINESSES



ACS represents 11,879 stores that are owned by multiple and co-operative retailers. These businesses include the Co-Operative, regional co-operative societies, McColls, Conviviality Retail and others. Unlike symbol group stores, these stores are owned and run centrally by the business. Forecourt multiples and commission operated stores are included in this category.

THE CONVENIENCE SECTOR



In 2015, the total value of sales in the convenience sector was £37.7bn. The average spend in a typical convenience store transaction is £6.45.



There are 51,524 convenience stores in mainland UK. 75% of stores are operated by independent retailers, either unaffiliated or as part of a symbol group.



The convenience sector provides flexible employment for over 407,000 people. 26% of independent/symbol stores employ family members only.



25% of shop owners work more than 70 hours per week, while 20% take no holiday throughout the year. 71% of business owners are first time investors in the sector.



Convenience stores and Post Offices poll as the two services that have the most positive impact on their local area according to consumers and local councillors. 83% of independent/symbol retailers have engaged in some form of community activity over the last year.



Between February 2015 and February 2016, the convenience sector invested over £596m in stores. The most popular form of investment in stores is refrigeration.

OUR RESEARCH

ACS polls the views and experiences of the convenience sector regularly to provide up-to-date, robust information on the pressures being faced by retailers of all sizes and ownership types. Our research includes the following regular surveys:

ACS VOICE OF LOCAL SHOPS SURVEY

Regular quarterly survey of over 1200 retailers, split evenly between independent retailers, symbol group retailers and forecourt retailers. The survey consists of tracker questions and a number of questions that differ each time to help inform ACS' policy work.

ACS INVESTMENT TRACKER

Regular quarterly survey of over 1200 independent and symbol retailers which is combined with responses from multiple businesses representing 3,970 stores.

ACS LOCAL SHOP REPORT

Annual survey of over 2200 independent, symbol and forecourt retailers combined with responses from multiple businesses representing 4,999 stores. The Local Shop Report also draws on data from him! research and consulting, IGD, Nielsen and William Reed Business Media.

BESPOKE POLLING ON POLICY ISSUES

ACS conducts bespoke polling of its members on a range of policy issues, from crime and responsible retailing to low pay and taxation. This polling is conducted with retailers from all areas of the convenience sector.

ANNEX B

ACS Submission: National Retail Crime Steering Group

ACS (the Association of Convenience Stores) represents 33,500 local shops across the UK including the Co-operative Group, Spar, Costcutter Supermarkets and thousands of independent retailers.

ACS has been an active member of the National Retail Crime Steering Group since its creation. As the steering groups work plan is being reviewed currently, we want to take advantage of this opportunity by setting out ACS' priorities for the new work plan and recommendations to the Home Office.

For our members, tackling acquisitive crime is their top priority. In order to tackle this, it requires retailers to have good systems and approaches to recording and reporting crime in their store as well as working in partnership with the police. Whilst we recognise that the police are under significant budgetary pressures, we do not believe that retail crime can be ignored. Resources have to be allocated to tackle shop theft, verbal abuse and anti-social behaviour, otherwise it reinforces the view that these crimes are victimless and petty.

ACS CRIME REPORT 2016

Set out below is data which highlights the impact of crime on the convenience sector taken from the ACS Crime Report 2016 and ACS' Voice of Local Shops Survey, which tracks retailers' experience of shop theft and violence and verbal abuse quarterly.

Shop Theft

ACS Crime Report 2016 estimates that shop theft costs the convenience sector approximately £43 million per year, however this figure is likely to significantly underestimate the real cost. Many retailers find it difficult to detect shop theft (both internal and external) and some choose not to report it because of their lack of confidence in the police response. According to our Crime Report, the most common items stolen from convenience store include alcohol, meat and cheese because of their high value and large opportunity for resell.

Violence and Verbal Abuse

The biggest triggers for violence and verbal abuse in convenience stores are age restricted sales and when refusing the sale of alcohol to customers that are already intoxicated. Scaled up to the sector (51,524 stores), 10,945 incidents of violence resulting in injury were recorded. Moreover, an estimated 1,836 incidents occurred in the sector where a weapon was used, including knives and fire arms. Verbal abuse and intimidation of staff is also all too common in our sector. ACS' Voice of Local Shops survey tracks incidents of violence and verbal abuse. Thankfully this has declined, but still only 58% report no incidents.

Robbery and Burglary

After shop theft, incidents of robbery and burglary represent the largest cost to retailers. The average cost of an incident of robbery in 2014 was £1,546 and the average cost of a burglary was £3,484. As well as physical damage to the business, it is important to note the

trauma for staff which is not accounted for in the cost to retailers. One of the largest drivers for burglaries is tobacco theft which is a high value product and is easy to move and resell.

Support for Convenience Retailers

Guidance

ACS has developed guidance to support retailers manage crime in their stores. There is no easy answer, which means that each store will require different solutions to address the prevalence of crime in their area. ACS' guidance address: overall management of crime prevention, working in partnership with the police, violence and verbal abuse, robbery, the management of self-scan tills and fuel theft. The best advice we can give to retailers is to work at a local level with their PCSO and local policing teams to tackle retail crime – partnership working between retailers, police and other local agencies is always the best approach.

Crimestoppers

ACS is a corporate partner of Crimestoppers which enables us to offer rewards for the most serious incidents against convenience retailers and their staff. We have also expanded the reward criteria so our members can fund rewards for any incidents against their business, for example, a member funded the reward for a string of robberies in Birmingham¹².

POLICY RELATED ISSUES

Customer Theft

Theft by customers represents the biggest operational challenge for retailers and it is often difficult to prevent and detect. Whilst retailers have a responsibility to ensure that their staff are well trained to prevent shop theft and that they have the right resources in stores, we believe that the police and Justice system response to shop theft must be consistent.

Police Reporting

Police often find it challenging to deal with the high volume, low cost nature of shop theft. To address shop theft, new and effective ways to report must be encouraged. Out-of-court disposals and penalties must be used effectively. as well as reviewing the £200 shop theft threshold.

Out-of-Court Disposals

Retailers are frustrated that when they report incidents of shop theft, particularly for repeat offenders, the offenders are issued with an out-of-court disposal instead of their case being escalated to the magistrate court. We appreciate that a review of out-of-court disposals has recently been completed and the new scheme is currently being piloted in three force areas.

We would like to see the Ministry of Justice use shop theft as metric to measure the consistency of how the police use these penalties. The police must have a range of

¹² <http://www.acs.org.uk/press-releases/crimestoppers-and-ac-s-offers-reward-of-up-to-10k-for-information-on-spate-of-robberies-across-birmingham/>

sanctions at their disposal, however out-of-court disposals should **not** be the default penalty for shop theft offences.

Recommendation: The Home Office should ask for a report from the Ministry of Justice on how the pilots for the new out-of-court disposals system have been used in relation to shop theft offences. This should include the number issued if offenders had previous offences.

£200 Shop Theft Threshold

ACS vehemently opposed the £200 threshold for shop theft offences in the Anti-Social Behaviour, Crime and Policing Act. The £200 threshold does not reflect the majority of shop theft incidents that occur in grocery retail. The current threshold sends the wrong message regarding the serious nature of shop theft offences. We are concerned that by not making offenders appear in court until the goods stolen pass the £200 threshold means that shop theft is put on a par with a traffic offence.

Recommendation: Review the number of court appearances and out-of-court disposals since the £200 threshold was introduced.

Staff Theft

Theft by employees is a subject not frequently discussed within the retail crime debate, but it can account for a significant proportion of lost revenue. In 2015, staff theft cost the convenience sector over £19 million. ACS' Crime Report 2016 will include new guidance on how to prevent employee theft and share best practice with retailers. However, police and the Crown Prosecution Service can do more to help with prosecutions for internal theft. As a breach of trust offence, the penalties for this are much higher. The presence of police in-store to charge the offender can help deter potential future offenders. The Crown Prosecution Service could do more to create a better platform for retailers to share evidence, which in turn supports reporting protections and prosecutions.

Fraud

Distribution Fraud

To prevent distribution fraud, (where the offender orders stock from a wholesaler by impersonating a retailer and leaves them to pay) the focus must remain on encouraging best practice. This can be achieved by continuing the annual review of levels of distribution fraud and sharing best practice for buyers

Recommendation: Continued focus by London Police on tackling distribution fraud.

Violence against Staff

Penalties to match public servants being abused

An estimated 141,447¹³ incidences of violence against shop workers took place in the sector in the last year. This has a real impact on retailers and their staff. To prevent the number of

¹³ ACS Crime Report 2015

incidents of violence against shop workers, offenders must face stricter penalties for assaulting shop workers.

Bringing the penalty in line with assaults against public servants is necessary to reflect the important role that retailers and their staff perform during the course of the work. This includes enforcing age restricted sales, refusal to sell alcohol to intoxicated persons and dealing with offenders of shop theft, all of which are the top triggers of violence.

Recommendation: Bring penalties for violence against shop workers to match the penalties for violence against public servants.

Alcohol and Tobacco Duty Fraud

The trade of illicit alcohol and tobacco is a growing threat to legitimate sales, costing the exchequer £3.3bn every year¹⁴. The illicit trade sells cheap goods to underage consumers which undermines the sale of legitimate goods in shops. The Government can crack down on the illicit trade by encouraging local authorities to remove alcohol licences from premises that participate in the selling on non-duty paid goods. Local authorities already have the power to do this, but very few use it.

Recommendation: The Home Office should encourage the removal of alcohol licences to target retailers operating illegally by making this power more prominent in the section 182 guidance as well as actively promoting this course of action to local licensing teams and customs and excise.

Alcohol Licensing Reviews

Retailers are aware that they are at risk of having their alcohol licence reviewed or even revoked if they appear to not comply with the “prevention of crime and disorder” Licensing Objective. This often means that retailers under-report the crime they experience in their store.

Fuel Theft

Retailers find it extremely challenging to prevent fuel theft from their forecourts. Fuel theft is primarily made up of two types of offences:

1. Drive offs – this is where the customer fills their vehicle up with fuel and drives straight off the forecourt without making an effort to pay.
2. No means of payment (NMOP), where the customer fills their vehicle with fuel, attempts to pay and claims they have forgotten their wallet/purse and cannot settle their bill.

Preventing both of these offences encounters the same challenge, that ultimately preventing fuel theft is difficult. Closer collaboration between forecourt retailers and the police is needed.

In some cases, retailers have experienced lack of engagement with the police when dealing with fuel theft. When a retailer reports the offence, fuel theft is not given priority and often retailers have to present evidence to the police in order for the crime to be dealt with.

¹⁴ HMRC: Measuring Tax Gaps 2015.

Partnerships

Local Policing Partnerships

There is an opportunity for businesses to establish primary police partnerships with their local police force. The Co-Operative Group launched their Primary Police Partnership pilot in 2014 in order to improve their working relationship with the police. The partnership uses the same principles as Primary Authority Partnerships. The partnership focuses on improving response time, response to repetitive issues and sharing ideas on improvements and initiatives. The Co-Operative Group are now evaluating their pilot which will look into how, or even if it's possible, to roll out the partnership for other retailers.

Intelligence Sharing

National Association of Business Crime Partnerships

Business Crime Reduction Partnerships operate in a number of towns and cities across the UK, where information-sharing and partnership working with police, local authorities and other agencies help businesses reduce the impact and cost of crime against them, their staff and the communities they trade in. The Home Office should work closer with the National Association of Business Crime Partnerships in order to increase number and the quality of business crime partnerships across the UK.

Recommendation: Agree national standards and accreditation procedure for business crime partnerships.

National Business Crime Solutions

National Business Crime Solutions (NBCS) provides a central point for businesses to share their data. It aims to collect, collate, analyse and disseminate information relating to burglaries, robberies and fraud which impact on its business members. However, NBCS focus relies on the data of larger businesses. To capture the full extent of crime experienced by businesses, we suggest that NBCS should increase their focus to develop data collecting and intelligence sharing from smaller businesses.

Recommendation: NBCS to increase focus on developing intelligence sharing for smaller businesses.

Other partnerships

Community Alcohol Partnerships (CAP) bring together local retailers and licensees, trading standards, police, health services, education providers and other local stakeholders to tackle the problem of underage drinking and anti-social behaviour. CAP has proved extremely successful - in the 8 years since CAP was established there are 88 schemes now operating across the UK. Retailers have taken an active role in the growth of CAP, participating in a number of schemes to reduce alcohol-related harm.