



## **ACS Submission: Labour Party Crime and Policing**

ACS (the Association of Convenience Stores) welcomes the opportunity to respond to the Labour Party's call for views on their crime and policing policy. 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).

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 £3,750<sup>1</sup>. This is equivalent to a 3pence crime tax on every customer transaction<sup>2</sup>. 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. Tackling violent crime and acquisitive crime is ACS' top priority. Business crime has a significant impact on retailers and staff that work in the sector however it is often overlooked. There must be partnership between police and retailers to effectively tackle crime against businesses, where approaches to evidence collecting, reporting and response times can be agreed, and retailer's concerns and challenges can be communicated.

Whilst we recognise that the police are under significant budgetary pressures, we do not believe that business crime can be ignored. Resources must be allocated to tackle shop theft, violence and anti-social behaviour, otherwise it will reinforce the perception that crimes against businesses are victimless.

### **Key Areas and Recommendations:**

#### Neighbourhood Policing

- Encourage partnership working to tackle crime in local areas including encouraging the use of Primary Police Partnerships.
- Licensing Act 2003 section 182 guidance stipulate that reports of crime in store by licensed premises should not be used to justify licensing reviews.

#### Violence and Verbal Abuse

- Review use of community triggers.
- Review local authorities' mechanism to use community triggers.
- Bring penalties for violence against shop workers in line with the penalties for violence against public servants.

#### Out of Court Disposals

- Use out of court disposals only for first time offenders.

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<sup>1</sup> [ACS Crime Report 2016](#)

<sup>2</sup> ACS Crime Report 2016 (cost of crime) & ACS Local Shop Report 2015 (sales)

*For reference, a full list of ACS' recommendations to the Home Office National Retail Crime Steering Group can be found in Annex B.*

### **ACS Crime Report 2016<sup>3</sup>**

ACS conducts an annual survey of convenience retailers' experience of crime in the last year. The results of the survey form the ACS Crime Report 2016, which provides insights into the cost and impact of crime. The Report 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 robbery and burglary. We have set out data from the report below, the full ACS Crime Report 2016 can be found [here](#).

We have also set out data from our Voice of Local Shops (VOLS) Survey which tracks 1210 independent retailers' experience of shop theft and violence and verbal abuse in a quarterly phone survey.

#### *Shop Theft*

Shop theft remains the most prevalent crime against retailers, costing the convenience sector an estimated £35 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) while some choose not to report it because of their lack of confidence in the police response. This year, our Crime Report found that only 52% of shop theft incidences were reported to the police.

Recent statistics from the Home Office found that 72%<sup>4</sup> of all crimes committed in the wholesale and retail sector were theft by customers. While ONS data found that in the last year the number of shop theft incidents had risen by 2%<sup>5</sup>. Despite its cost and prevalence in the sector, shop theft is often perceived as 'low level' and is often overlooked. ACS' Voice of Local Shops Survey tracks incidents of shop theft experienced by independent retailers. In the last year, 37% of retailers experienced similar levels of shop theft incidents, while 15% of retailers experienced increased incidences of shop theft. The findings from VOLS reiterate that shop theft will be a persistent problem for retailers in the future and must be given priority.

#### *Violence and Verbal Abuse*

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, 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 an estimated 1,836 incidents in the last year featured the use of a weapon, including the use of knives, firearms and imitation firearms.

ACS' Voice of Local Shops survey tracks incidents of violence and verbal abuse. Over the last year, while 56% of independent retailers had experienced no incidents of abuse, 9% of retailers experienced increased incidents and 27% of retailers experienced a similar number

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<sup>3</sup> [ACS Crime Report 2016](#)

<sup>4</sup> [Home Office: Crime against businesses: findings from the 2015 Commercial Victimisation Survey](#)

<sup>5</sup> [Office for National Statistics: Crime in England and Wales: Year ending March 2015](#)

of incidents. As these results demonstrate, violence and verbal abuse is a persistent problem for many retailers. This is unlikely to change unless action is taken to further deter potential offenders from assaulting shop workers.

### *Robbery and Burglary*

Incidents of robbery and burglary represent the third largest financial cost to retailers. The average cost of an incident of robbery in 2015 was £1,744, while the average cost of a burglary was £3,484. However, these figures only represent physical damage and do not include the biggest cost from robbery and burglary incidents, which is the trauma that staff experience.

### *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 Birmingham<sup>6</sup>.

### **Neighbourhood Policing**

A visible policing presence is important, Police Community Support Officers (PCSO) remain a key point of contact for retailers 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 building relationships with PCSOs and local policing teams is important for retailers to understand how best to report crime as well as having the opportunity to communicate the challenges they are facing in their business.

### *Primary Police Partnerships*

We believe partnership working is integral to tackling business crime. We therefore support the establishment of primary police partnership schemes between businesses and their police force. These schemes use the same principles as Primary Authority partnerships by agreeing one approach (for example, standard of evidence collecting, reporting procedures or response times) between a local police force and a business. These Partnerships have the potential to ensure consistent reporting and response times across the country for businesses. Instead of a national business being required to fulfil multiple different crime reporting procedures from different police force areas, being part of a Primary Police Partnership would mean that they would only be required to follow one.

The Co-Op launched their Primary Police Partnership pilot in 2014 in order to improve their working relationship with the police. Their partnership focused on improving response time, response to repetitive issues and sharing ideas on improvements and initiatives. The Co-Op are now evaluating their pilot which will look into how, or even if it's possible, to roll out the partnership to other retailers.

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<sup>6</sup> [ACS Release: Crimestoppers and ACS offers reward of up to £10K for information on spate of robberies across Birmingham](#)

## *Licensing Reviews*

Retailers fear that police will call for their alcohol licensing to be reviewed or even revoked if they appear to have breached the “prevention of crime and disorder” Licensing Objective. This often means that retailers under-report the crime they experience in their business in order to avoid the prospect of a review. We recommend that the Licensing Act 2003 section 182 guidance stipulate that reports of crime in store by licensed premises should not be used to justify licensing reviews under the “prevention of crime and disorder” Licensing Objective.

## **Violence and Verbal Abuse**

Home Office Commercial Victimization Survey<sup>7</sup> found that 9% of the wholesale and retail sector experience incidents of anti-social behaviour. With 60% of the sector reporting that anti-social behaviour had a negative impact on business. Anti-social behaviour encompasses a wide range of offences which are often experienced by convenience store retailers on a daily basis. For the purposes of the ACS Crime Report 2016, we looked into the incidences of verbal abuse. The ACS Crime Report 2016 found that there were an estimated 27,941 incidents of verbal abuse against convenience store staff in the sector last year.

Tackling anti-social behaviour is imperative, without taking steps to address it, anti-social behaviour can escalate to incidents of violence or criminal damage. ACS encourages the use of community triggers which allows members of the community to ask the Community Safety Partnership to review their responses to complaints of anti-social behaviour. We recommend that a review be conducted into the use of community triggers and how local authorities can further facilitate the trigger process, for example, ensuring members of the community are aware of the process and how to use it.

## *Violence Against Staff*

USDAW and ACS have previously called for stricter penalties for assaulting shop workers when the Criminal Justice and Courts Bill was before Parliament. We supported the proposed new clause, “Assaults on Workers Selling Alcohol”, which would have created a separate summary offence to assault a worker who is required to enforce or comply with the Licensing Act 2003, unfortunately this clause was rejected.

There were an estimated 141,447<sup>8</sup> incidences of violence against convenience store staff in the last year. This has a detrimental impact on retailer’s and their employees. Along with USDAW and their Freedom from Fear campaign, ACS calls to bring the penalty for assaulting a shop worker in line with the penalty for assaulting a public servant.

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, refusing to sell alcohol to intoxicated persons and dealing with offenders of shop theft, all of which are the top triggers of violence. To prevent the number of incidents of violence against shop workers, offenders must face stricter penalties for assaulting shop workers.

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<sup>7</sup> [Home Office: Commercial Victimization Survey 2015](#)

<sup>8</sup> [ACS Crime Report 2016](#)

## **Out of Court Disposals**

Retailers are often left frustrated that when they report incidents of shop theft, particularly for repeat offenders, that the offenders are issued with an out of court disposal (OCD) rather than their case being referred to the Courts.

The extensive use of OCDs for shop theft, especially for repeat offenders has devalued any deterrent these penalties had. Last year, the House of Commons Home Affairs Select Committee published their report on the use of the of OCDs which concluded that they are not designed to deal with persistent offenders<sup>9</sup>. The Committee also found that up to 30% of OCDs 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

**For more information, please contact Julie Byers, ACS Public Affairs Executive at [Julie.Byers@acs.org.uk](mailto:Julie.Byers@acs.org.uk) or call 01252 515001.**

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<sup>9</sup> [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.

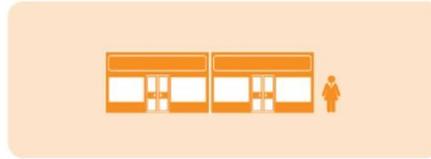
### WHO WE REPRESENT

#### 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 Birmingham<sup>10</sup>.

## **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

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<sup>10</sup> <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 141,447<sup>11</sup> 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

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<sup>11</sup> 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 year<sup>12</sup>. 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.

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<sup>12</sup> 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.