
DRAFT STATUTORY INSTRUMENTS

2016 No.

The Pubs Code etc. Regulations 2016

PART 1

General

Significant increase in price: products other than alcoholic drink

5.—(1) For the purposes of these Regulations, a “significant increase” in the price of non-alcohol products supplied to a tied pub tenant takes place on the issue to the tied pub tenant of an invoice for non-alcohol products (“the relevant invoice”) where the following two conditions are met.

(2) The first condition is that—

- (a) one or more invoices for non-alcohol products were issued to the tied pub tenant in the comparison period; and
- (b) those invoices included at least one for non-alcohol products of the same kind as non-alcohol products invoiced in the current period.

(3) The second condition is that, for any of the non-alcohol products producer price indices (“the applicable producer price index”)—

$$\left(\frac{A-B}{B}\times 100\right) > \left(\frac{C-D}{D}\times 100\right) + 20$$

where—

A is the average unit price of current period non-alcohol products;

B is the average unit price of comparison period non-alcohol products;

C is the level of the applicable producer price index on the day the relevant invoice is issued;

D is the level of the applicable producer price index on the day 12 months before the relevant invoice is issued.

(4) In this regulation—

- (a) “non-alcohol products” means products supplied under a product tie, other than alcoholic drink;
- (b) “current period non-alcohol products” means all non-alcohol products within the applicable producer price index invoiced to the tied pub tenant in the current period, excluding any of a kind not invoiced to the tied pub tenant in the comparison period;
- (c) “comparison period non-alcohol products” means all non-alcohol products within the applicable producer price index invoiced to the tied pub tenant in the comparison period, excluding any of a kind not invoiced to the tied pub tenant in the current period;
- (d) non-alcohol products invoiced in a period are “of the same kind” as non-alcohol products invoiced in another period if they are—
 - (i) of the same category (see paragraph (5)); and

- (ii) sold in the same units;
 - (e) “the current period” means the period of 4 weeks ending with the day on which the relevant invoice is issued;
 - (f) “the comparison period” means the period of 4 weeks ending with the day 12 months before the day on which the relevant invoice is issued;
 - (g) “invoice for non-alcohol products” includes an invoice which covers (in addition to non-alcohol products) products or services other than non-alcohol products; and references to non-alcohol products being invoiced are to be read accordingly;
 - (h) references to prices are to prices exclusive of value added tax;
 - (i) “the non-alcohol products producer price indices” means—
 - (i) the producer price index published by the Statistics Board in respect of food products;
 - (ii) the producer price index published by the Statistics Board in respect of soft drinks, mineral waters and other bottled waters;
 - (j) references to the level of a producer price index on any day are to the level of that index, in the index most recently published before the end of that day, in respect of the most recent month covered by that publication.
- (5) For the purposes of paragraph (4)(d)(i) the “categories” of non-alcohol products are—
- (a) food;
 - (b) non-alcoholic drinks.