



Sunday Trading (London Olympic Games and Paralympic Games) Bill

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Author: Lorraine Conway
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The *Sunday Trading (London Olympic Games and Paralympic Games) Bill* [HL] was introduced in the House of Lords on 28 March 2012 and is expected to have its Second Reading on 24 April 2012. Due to the tight timescales involved, the Government has stated that it intends to use the fast-track procedure for this Bill.

As currently drafted, the purpose of the Bill is to introduce a temporary suspension of the current rules on Sunday trading for large stores. The period of suspension would be for eight consecutive Sundays during the Olympic and Paralympic Games, beginning on 22 July 2012 (the Sunday before the opening ceremony) and ending on Sunday, 9 September 2012 (the date of the closing ceremony of the Paralympics). The Bill applies only to England and Wales.

Under current legislation, a distinction is made between large and small shops in respect of permissible trading hours. Large shops (over 280 sq m/3,000 sq ft) may open Monday to Saturday without restrictions. On Sundays, opening is restricted to 6 continual hours between the period 10am and 6pm. There are no opening restrictions for small shops (under 280 sq m/3,000 sq ft) on any day of the week.

The Government has said that it wants to ensure that visitors to the UK for the London Games have the best experience possible and a temporary suspension of Sunday trading restrictions would enable visitors to take full advantage of all the UK has to offer, including its shopping attractions. If the Bill is enacted, the Treasury expects to see a net increase in retail sales as well as a boost for employment and growth for the UK.

The Bill has received a mixed reception. Some large retailers have welcomed the Bill. However, other bodies have stated their opposition to the Bill, including USDAW (the Union of Shop, Distributive and Allied Workers), the Keep Sunday Special Campaign (KSS) and the Association of Convenience Stores (ACS).

The purpose of this note is to provide more detailed information about the background to this Bill.

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1 Introduction

In a BBC interview on 18 March 2012, the Chancellor, George Osborne, stated his intention to propose emergency legislation so that large shops in England and Wales could trade on Sundays for more than six hours for the duration of the Olympic and Paralympic Games.¹ This would, of course, include the large merchandise shops in the East London Park.

The Chancellor said that it would be a ‘great shame’ if Britain had a “closed for business sign on it during the Games”.² He argued that a temporary suspension of Sunday trading restrictions would assist in ensuring visitors could take full advantage of all the UK has to offer, including its shops. Appearing on the same programme, Ed Balls, the Shadow Chancellor, said there should be proper consultation first.³

In his Budget Statement on 21 March 2012 the Chancellor announced that, as part of the Government’s programme of reforms to support growth, legislation would be introduced under the fast track procedure to introduce temporary changes to the *Sunday Trading Act 1994* (STA 1994):

As a country, we also want to make the most of the Olympic and Paralympics Games. Some of the biggest events will be on a Sunday.

When millions of visitors come to Britain to see them, we don’t want to hang up a Closed for Business’ sign.

So we will introduce legislation limited to relaxing the Sunday trading laws for eight Sundays only, starting on July 22nd.⁴

¹ ‘Budget: Osborne plans new Sunday trading laws during Olympics’, BBC News, 18 March 2012,

² Ibid

³ Ibid

⁴ HC Deb 21 March 2012 c.800

The *Sunday Trading (London Olympic Games and Paralympic Games) Bill* [HL] was introduced in the House of Lords on 28 March 2012 and is expected to have its Second Reading on 24 April 2012. The fast-track procedure will be used for this Bill.

As currently drafted, the Bill would introduce a temporary suspension of the STA 1994 during the Olympic and Paralympic Games. In effect, large shops in England and Wales would be able to open for more than six continuous hours on the eight consecutive Sundays that occur during the period 22 July to 9 September 2012.

The Chancellor has confirmed that the suspension of Sunday trading laws is to be a temporary 'one-off' measure, but added that the Treasury may 'learn lessons' from the experiment.⁵ This comment has provoked some bodies to accuse the Government of using the Olympics as a step towards the permanent deregulation of Sunday trading.⁶ (See section 6 below).

2 Current legal position

2.1 Week day and Saturday trading

Restrictions on shop opening hours on weekday and Saturdays were completely removed for all shops (large and small) by section 23 of the *Deregulation and Contracting Out Act 1994*. All shops are free to remain open for as long as they wish for week day and Saturday trading.

2.2 Sunday trading

The STA 1994 liberalised Sunday trading law for shops, by repealing Part IV of the *Shops Act 1950*.⁷ It introduced a scheme of partial deregulation. It allows shops to trade in all goods on Sundays but restricts most large shops to a continuous six hours' trading between 10 a.m. and 6 p.m. Under the STA 1994, shops are 'large' if they exceed 280 sq m /3,000 sq ft in size.

The *Regulatory Reform (Sunday Trading) Order 2004* has now removed the requirement for large shops to notify local authorities of their Sunday trading hours or of any changes. However, large shops are still limited to trading for a maximum of six hours between 10am and 6pm on Sundays and must display their opening hours inside and outside the premises.

A few types of large shops are exempt from the provisions of the STA 1994 and are allowed to open all day on a Sunday. These are:

- farm shops
- motor and cycle supply shops
- stands at exhibitions
- pharmacies for the sale of medicines
- shops at airports, railway stations and shops servicing ocean going ships
- shops at petrol filling stations and motorway service stations⁸

Outlets which offer a service such as restaurants and public houses are also excluded from the restrictions on Sunday trading.

⁵ Ibid

⁶ 'Anger over plans to extend Sunday trading', Independent, 19 March 2012

⁷ Clause 1 of the *Sunday Trading Act 1994* provides for the repeal of the Sunday trading provisions contained in Part IV of the *Shops Act 1950* and for their replacement by the provisions in Schedule 1 which contains restrictions on the Sunday opening of large shops

⁸ Paragraph 3(1) of Schedule 1 of the *Sunday Trading Act 1994*

Local authorities trading standards officers enforce the STA 1994. It is an offence punishable on summary conviction by a maximum fine of £50,000, for a large shop to trade on a Sunday in contravention of the provisions of the Act.⁹

Small shops (not over 280 sq m/3,000 sq ft in size) are not covered by the restrictions of the STA 1994 and can open at any time on a Sunday. In effect, a small shop could open twenty-four hours a day, every day of the year including Christmas Day, if the owner so wished. It should also be noted that the *STA 1994* applies only to England and Wales. There are no restrictions on Sunday trading hours in Scotland.

3 Past review of Sunday trading laws

On 13 January 2006, the previous Government announced a review of the pros and cons of further liberalization of the Sunday trading laws.¹⁰ The Government gave various reasons for instigating this review:

The current Sunday trading laws have been in place for more than ten years. Consumers now have greater expectations. Many more people are in employment, often benefiting from flexible working outside core 9-5 weekday hours. We are a more multicultural society. There is greater recognition that we should only regulate where it is necessary to do so. We believe the time has come to have a fresh look at the issues around Sunday trading.¹¹

The Government wrote to a large number of organisations, groups and retailers seeking their views on Sunday trading. It also welcomed the views of interested consumers, religious groups, employees and businesses, not only on the economic case, but on all aspects on further liberalisation. As part of the review, the Government commissioned an economic cost-benefit analysis report on the impact of allowing large shops to open for longer.¹²

On 6 July 2006, Alistair Darling, then Trade and Industry Secretary, announced that there would be no change to the current Sunday shopping hours:

With the Sunday trading laws having been in place for many years, it was important that we looked at whether they were still appropriate.

As part of our review we commissioned an independent cost benefit analysis and sought a wide range of views on the subject in an informal consultation.

We received nearly 1,000 responses to the consultation from consumers, religious groups, employees and business, with no substantial demand for change. On that basis, and having considered all the evidence from the review, we have concluded that there should be no change to the Sunday trading laws.¹³

4 The Bill

4.1 Provisions of the Bill

The Bill is very short, consisting of just two clauses.

⁹ Section 7(1) Schedule 1 of *Sunday Trading Act 1994*

¹⁰ <http://webarchive.nationalarchives.gov.uk/20080910134942/berr.gov.uk/whatwedo/consumers/buying-selling/sunday-shopping/index.html>

¹¹ Department of Trade and Industry press notice P/2006/005, 'DTI seeks views on Sunday trading law', 13 January 2006

¹² 'The economic costs and benefits of easing Sunday shopping restrictions on large stores in England and Wales', Inopen, a report for the DTI, May 2006

¹³ Department of Trade and Industry press notice, 'No Change to Sunday trading laws', 6 July 2006

Clause 1(1) of the Bill would suspend for the period of the Olympics and Paralympics the current restrictions in the STA 1994 on Sunday opening times for certain large shops.¹⁴ The Bill would remove these restrictions so that all shops, of whatever size, can choose their own Sunday opening times for the period of the London Games. As a result of lifting the opening hours restrictions, the duty on large shops to display a notice specifying their Sunday opening hours will not apply during the suspension period.¹⁵

Under clause 1(3), this suspension of Sunday trading restrictions is strictly time limited. The suspension only applies to the eight consecutive Sundays beginning on 22 July 2012 (the Sunday before the Olympic opening ceremony) and ending on 9 September 2012 (the Sunday on which the closing ceremony of the Paralympic Games will take place).

Clause 1(2) ensures that the provisions regarding loading and unloading at large shops on Sunday mornings contained in Schedule 3 to the STA 1994 will continue to apply in the usual way during the suspension period. In other words, large shops which currently need local authority consent in order to load or unload before 9 a.m. on Sunday mornings will continue to need that consent during the suspension period. A large shop which has already obtained such a consent from a local authority will continue to be able to rely on that consent during the suspension period despite any longer hours the shop may be open for during that period.

Since small shops are not subject to Sunday trading restrictions, their freedom to open on Sundays will not be affected by the Bill. In addition, the Bill will not affect those categories of large shops that are already exempt from Sunday trading restrictions (see Section 2 of this note).

The Bill will not affect existing protections for shop workers in Part IV of the *Employment Rights Act 1996*.

Under clause 2, the Bill will extend to England and Wales only. Importantly, there is a sunset clause, repealing the Bill at the end of the period of suspension of the Sunday trading restrictions.

4.2 Fast-track procedure

In the Explanatory Notes to the Bill, the Government sets out its reasons for using the fast-track procedure for this Bill:

The Government has carefully considered the implications of using the fast-track process for expediting this Bill through Parliament. The Government considered using the usual Parliamentary process for this Bill but came to the conclusion that the imminence of the London Olympics and Paralympics justified the exceptional use of the fast-track process for this Bill. Any delay in the legislation could mean that the full benefits to the UK economy that this Bill is designed to facilitate will not be realised. This is a short Bill, implementing a temporary and deregulatory measure designed to enable business and consumers to take full advantage of benefits that the London Olympics and Paralympics can bring. The Government considers that the use of the fast-track process is fully justified in this case. It is important that the Bill is passed as soon as possible so that businesses and shop workers can make their arrangements for the period of the Olympics and Paralympics as much in advance as possible.

What efforts have been made to ensure the amount of time made available for parliamentary scrutiny has been maximised?

¹⁴ The current restrictions are imposed by paragraph 2 of Schedule 1 to the *Sunday Trading Act 1994*

¹⁵ Paragraph 6 of Schedule 1 to the *Sunday Trading Act 1994*

The Government will make Parliamentary time available to ensure that this Bill is scrutinised.

In addition contact has been made with the Opposition and the Lords Spiritual so they understand the nature of the Bill in that it is a time limited measure aimed at giving a short but sizable boost to the retail sector.¹⁶

Commenting on whether mechanisms for effective post-legislative scrutiny and review are in place, the government states that full consultation will take place should the Government ever decide to permanently remove Sunday trading restrictions:

The suspension of Sunday trading restrictions effected by the Bill will be time limited, expiring on 9th September 2012. Accordingly, the Government does not judge that post legislative scrutiny is required for this Bill. Should the Government ever decide that it is appropriate to look again at the possibility of a more permanent relaxation of Sunday trading restrictions a full consultation would be undertaken.¹⁷

5 Parliamentary comment on the Bill

During the Budget debate, there was little direct comment on the Chancellor's announcement to temporarily suspend Sunday trading laws during the London Games. Meg Hillier (Lab) said she supported the proposal, recognising that this would be a global event coming to her constituency (Hackney South and Shoreditch). However, she raised concerns that the move could be a trial run for a permanent change in the law:

The leaks about today's Budget announcements were broadly accurate, and I worry that the leaks about the Sunday trading proposals, suggesting that the Chancellor has a secret mission to take on the low paid and families and to ensure that people will have to work long hours, might also be accurate. My local smaller businesses are also nervous about the proposal. The benefit of longer trading hours is very small for them, but it gives more succour to the big retailers, who are already putting a lot of pressure on such small businesses.¹⁸

During Business Questions on 22 March 2012, Sir George Young responded to Anne Coffey's request for confirmation that any suspension of the STA 1994 would be strictly limited in duration:

Ann Coffey (Stockport) (Lab): The Chancellor announced yesterday that the Government plan to legislate to suspend the Sunday Trading Act 1994 for eight Sundays to coincide with the Olympics. There is concern that that is less to do with the Olympics than with testing the water for a permanent repeal of the Act. Will the Leader of the House confirm that it will be limited legislation, as announced by the Chancellor yesterday?

Sir George Young: I confirm exactly what the hon. Lady has said. Any legislation will have to pass through both Houses and will be subject to discussion through the usual channels. It will apply only to the Sundays during the Olympics and Paralympics, so it will be strictly confined to that period. It is not our intention at this stage to go for the wider reform to which she referred.¹⁹

¹⁶ *Sunday trading (London Olympic Games and Paralympic Games) Bill [HL]*, HL Bill 139 - EN

¹⁷ Ibid

¹⁸ HC Deb 21 March 2012 c.861

¹⁹ HC Deb 22 March 2012 c.948

Baroness Wilcox, the Parliamentary Under-Secretary of State (BIS), in written response to a PQ asked by Lord Kennedy of Southwark, on what plans the Government has to amend the Sunday trading laws, also confirmed that the proposed suspension of Sunday trading restrictions is only for the duration of the London Games:

[...] The temporary suspension of Sunday trading restrictions will assist in ensuring that visitors can take full advantage of all the UK has to offer, including its world-class shops. The suspension is not a pilot for a wider liberalisation of Sunday trading, nor will a Bill contain powers for wider liberalisation.²⁰

The Bill is due to have its Second Reading debate in the House of Lords on 24 April 2012.

6 Views of interested parties to the Bill

The Bill has had a mixed reception. Those in favour of a temporary suspension of Sunday trading laws, see it is a necessary measure if large retailers (and the economy) are to benefit fully from London hosting the Games. Those opposed to the Bill, criticise the use of the fast track procedure and the lack of consultation, and have voiced concerns that this temporary suspension of Sunday trading laws may become permanent.

It has been reported in the press that some retailers and landlords, including the New West End Company (which represents London retailers in Oxford Street, Bond Street and Regent Street) and property developer Westfield²¹ (which operates Stratford City mall), have been lobbying for a relaxation of the Sunday trading laws for the duration of the Games.²² The New West End Company published a report on 15 January 2012 which gave the following estimates:

The Olympic year is set to drive a growth in retail sales of 3.5% in London's West End. West end retailers are optimistic that sales will reach £7.7 billion in 2012 with further momentum gained during the Queen's Diamond Jubilee, offsetting a slow start to the year.²³

According to other press articles, members of the British Retail Consortium (the trade body for store groups) are divided on whether the laws should be relaxed for the London Games.²⁴ Whilst some retailers think it would be a good opportunity to meet the extra consumer demand, others think it would be adding to their costs without necessarily having an increase in business to make that worthwhile. A spokesperson for BRC is reported to have said that the essence of the debate was whether the extended hours would "produce enough extra demand on top of what is already there on a Sunday or just extend it over the longer hours".²⁵

Usdaw, the shop workers' union, said its members were vehemently opposed to the proposal. It highlighted the speed at which the change is being introduced by the Government and has questioned whether it is, in fact, a renewed effort to achieve complete deregulation of Sunday trading laws. Usdaw said that its members already have a struggle to achieve a work-life balance, and this latest move will only make that worse:

²⁰ HC Deb 27 March 2012 WA248

²¹ [Westfield's Stratford City development is directly adjacent to the Olympic Park, Westfield's estimates that three quarters of spectators will pass through it on their way into the Park at Games-time,](#)

²² ['Olympic suspension of Sunday trading laws proposed'](#), Retail Gazette, 19 March 2012,

²³ ['Olympic Year set to drive retail sales in London's West End with a 3.5% growth forecast for 2012'](#). New West End Company media release, 15 January 2012,

²⁴ ['Move to ease Sunday shop hours during Olympics'](#), Financial Times, 14 March 2012,

²⁵ <http://www.ft.com/cms/s/0/034895d4-7100-11e1-a7f1-00144feab49a.html#axzz1pkoqFqPG>

Our members are vehemently opposed to any further deregulation of Sunday trading hours and the Government's own consultation on this just last year showed that there is no widespread support from either retailers or the general public for change.

Deregulation would do little to stimulate growth or create jobs, but would have a very detrimental impact on the lives of millions of shopworkers and their families. Any change would fly totally in the face of the Government's commitment to be family-friendly.

To suggest that the current legislation, which allows shops to open for 150 hours a week, means Britain is 'closed for business' is frankly ridiculous. With ministerial aides apparently briefing the announcement out as a prelude to permanent change, and with the total number of tourists actually expected to be down this summer, there is understandable suspicion that the Government is trying to use the London Olympics as cover for its wider deregulation agenda.

I'm encouraged that the Culture Secretary Jeremy Hunt has agreed to our request for an urgent meeting on the issue, which will take place this Tuesday, but we have made it clear to the Government that we are extremely disappointed that an announcement of such importance to our members and millions of other people has been made in this manner and without any prior consultation.

Shop workers are entitled to expect some respect from the Government and for their views to be heard and taken into account before any decisions of this importance are made.²⁶

The Keep Sunday Special (KSS) Campaign has also published a statement stating its opposition to the Bill. It argues that a suspension of Sunday trading laws for the duration of the London Games is unnecessary and merely a 'cover for creeping deregulation':

No changes to Sunday trading legislation are needed to enable all Olympic visitors to have a great day out with family and friends. When did shopping become an Olympic sport?

Rumours that Sunday trading legislation will be relaxed for the duration of the Olympic Games are profoundly worrying. The Keep Sunday Special Campaign totally opposes any plans to amend Sunday trading laws in the context of the Olympics. Such a move would be unnecessary and merely a cover for creeping deregulation.

David Cameron came into government promising to make this country the most family friendly in Europe. But over one million families have at least one parent working on both weekend days, meaning they have little time to spend with their children at a time when they are not at school. Research by the National Centre for Social Research has shown that Sunday working has a detrimental impact on fathers' time with their children, especially on playing, reading and teaching.

KSS has always promoted Sundays as a day for shared activities. No changes to Sunday Trading legislation are needed to enable all Olympic visitors to have a great day out enjoying time with family and friends. When did shopping become an Olympic sport? Why are the Olympics deemed to be a special case?

Nor will the proposed changes do anything to increase economic growth as all the evidence suggests that existing spending would not increase but simply be spread over a longer period. And many government services, both local and national, would need to function if there was further deregulation.

²⁶ ['Usdaw Vehemently opposed to any further deregulation of Sunday trading laws'](#), 18 March 2012,

It is KSS's view that primary legislation would be needed to change the law on Sunday trading. It would be shameful indeed if Parliament allowed a change to be pushed through in the context of the Budget, especially as there was consultation on Sunday Trading only last year which showed conclusively that there was no appetite to change the law.²⁷

The Association of Convenience Stores (ACS) is also opposed to the Bill because it thinks it will have a negative impact on small convenience stores. Based on figures from 1,000 convenience stores, the ACS estimates that the total cost (in terms of lost profits) to the convenience sector in England and Wales of suspending Sunday trading restrictions for eight consecutive Sundays to be £480 million. The ACS has also criticised the lack of public consultation in advance of the Chancellor's announcement and has argued that this measure could be the 'thin end of the wedge':

Liberalising Sunday trading would cost businesses and jobs. A retailer survey in 2005 (the last time this was subject to public consultation) showed that 30% of retailers would shut down if Sunday trading were liberalized, and 44% would cut jobs.

The Government has twice looked at liberalizing Sunday trading, as part of their Retail Growth Review (Q1 2011) and their Red Tape Challenge (Q2, 2011). In both cases, a sober and considered assessment of the policy concluded that it was proportionate regulation that did not harm growth and job creation, yet a year on they have landed on this as a pro-growth measure.

There has been absolutely no consultation with the public and with retailers in advance of the Chancellor's announcement. This is perhaps because Sunday trading liberalisation is unpopular: a 2012 GfK /NOP poll commissioned by ACS showed that 89% of the public were opposed to further liberalisation of Sunday trading laws.

By extending these special provisions to the whole of England and Wales, the Government is making the main beneficiaries out of town superstores nowhere near Olympic sites where there will be no additional visitors bringing any new spending to the area.

This is not the time for gestures but for effective policy interventions to support the economy. This change could be the thin end of the wedge, and with no assurances from Government over how the law will be changed retailers are fearful that this will lead to more change after the Olympics.²⁸

Religious groups have expressed concern that the measure may prove permanent and further impede the Christian tradition of reserving Sunday for worship, and be detrimental to family stability and community life.²⁹ Some commentators in the press have argued that the measure runs counter to the Prime Minister's pledge to make his the most family-friendly government³⁰ and his vision of a Big Society.³¹ Others have pointed out that during its own red tape review last year the Government found that the majority of people supported the current trading laws.³²

²⁷ <http://www.keepsundayspecial.org.uk/Web/>

²⁸ 'ACS oppose changes to Sunday trading laws', March 2012,

²⁹ 'Sunday trading rules to be relaxed during Olympics', Financial Times, 18 March 2012,

³⁰ Ibid

³¹ 'Whatever happened to Sundays?', Telegraph, 18 March 2012

³² 'Sunday trading law suspension bid for Olympics', BBC News, 18 March 2012,