

222/224 Queensferry Road, Edinburgh, EH4 2BN
Telephone: 0131 343-3300, Fax: 0131 343-6147

Review of West Dunbartonshire Licensing Board Statement of Licensing Policy

The Scottish Grocers' Federation

The Scottish Grocers' Federation (SGF) is the trade association for the Scottish Convenience Store Sector. It has almost 2,000 convenience stores in membership, including groups such as SPAR Scotland, Booker Premier, KeyStore, Nisa, Costcutter, McColl's, the Scottish Co-Operative, Scotmid and Clydebank Co-op, as well as a number of independent retailers. SGF promotes responsible community retailing and works with key stakeholders to encourage a greater understanding of the contribution convenience retailers make to Scotland's communities

Introduction

SGF welcomes the opportunity to contribute to the Board's review of its Statement of Licensing Policy. Our submission provides answers to questions 6 and 7 from Section 1 and to questions A, B, C, D and E in Section 2. We trust you will find these helpful. Firstly, however, we believe it is helpful to attempt to provide some balance and proportionality to the overall debate on alcohol via the following comments:

1. The Scottish Health Survey, published annually by the Scottish Government, shows that the levels of alcohol consumption in Scotland have been declining since at least 2003. This decline is shown across both the recommended daily and weekly units. The August 2013 MESAS report showed that alcohol sales per adult in Scotland fell by 9% between 2009 and 2012. The latest statistics from the General Register Office for Scotland show that alcohol-related deaths are at their lowest level since 1998.
2. In its Factsheet on Overprovision, Alcohol Focus Scotland asserts that alcohol is a drug of dependence. Statements of this kind are neither helpful nor constructive. Alcohol is a drug and as such it clearly has to be controlled and regulated. But it is equally clear that the majority of people who consume alcohol do not develop a dependency on it.
3. While Alcohol Focus Scotland emphasizes the benefits of an evidence based approach, their conclusion that the difference between provision and overprovision is, ultimately, a 'value judgement' unfortunately creates room for much ambiguity and inconsistency. It is both clarity and consistency which our members would most welcome in the Licensing Board's new policy statement.
4. In considering whether the ground for a refusal set out in section 23(5) (e) of the Act applies, the Board should continue to take into account the specific activities and mode of operation of the applicant. It is important to note, however, that arguably the number or capacity of premises in a locality is unlikely to be the key factor in deciding whether there is overprovision. Instead, the determining factor is the extent to which there are alcohol-related, health, and crime problems in the area.¹

¹ Fraser, A (2012) Preparing an evidence based overprovision policy

5. We should point out that overwhelmingly our members are responsible retailers; they put considerable effort into ensuring that alcohol is sold in a responsible way. This happens through the following key areas:
- Full compliance with the Challenge 25 regulations;
 - Staff training;
 - Appropriate signage;
 - In-house test purchasing;
 - Refusal books.
6. We believe the new Licensing Policy should focus strongly on enforcement: proxy purchases are the biggest problem area in relation to under age sales and individuals participating in these must be prosecuted. The number of prosecutions for purchasing alcohol for consumption by persons under 18 has actually fallen from 156 in 2009/10 to 64 in 2011/12.² Clearly this point on enforcement also has to apply to any retailers who act in an irresponsible way - it is time to root out the rogue retailers.

Section 1 General Parts of the licensing Policy Statement

Question 6. Are the categories of licensed premises proposed by the Board in its 11 June 2013 report appropriate and sufficiently clear?

No

If not, how should premises be categorised for the purposes of their definition for overprovision assessment purposes?

We do not believe that convenience stores and off-licences should remain in the same category. Whilst a convenience store and an off-licence may be the same size they make a very different offering to customers. In an off-licence the entire store will generally be designated as the alcohol display area and the premises will concentrate on selling alcoholic products to the exclusion of most others. In contrast a convenience store provides a full retail offering, where alcohol counts for a much smaller proportion of sales, with chilled and ambient food, household goods and newspapers and magazines comprising the bulk of turnover. In a typical convenience store alcohol will only account for approximately 12% of the entire volume of sales (Chilled foods, for example, currently account for about 13% of total sales and tobacco upwards of 20%) Their alcohol display area would hence be much smaller than that in a similarly-sized off-licence. This makes the two types of business very different and they cater for very different customer shopping missions. As Scotland's only Trade Association for the convenience store sector, we strongly believe that responsibly-run convenience stores are a vital community asset. We would therefore suggest that the Licensing Board separate 'local convenience stores' and 'off-licences' into different categories, much as has already happened with 'Large supermarkets'.

² Answer to written question in the Scottish Parliament S4W-13828

Q7. Should the Board require that persons doing home deliveries are trained formally to 'Challenge 25' requirements?

Yes

We strongly agree that all individuals offering home delivery services of any age-restricted product must be formally trained to 'Challenge 25' requirements. Retailers are fully committed to Challenge 25; most SGF members were already operating a Challenge 25 policy across their stores even before this became a mandatory condition following the Alcohol etc. (Scotland) Act 2010.

Home delivery services are relatively under-developed in the convenience store sector. Nevertheless, home deliveries, particularly from on-line orders, represent a potentially weak link in the age verification regime and this should be addressed as a matter of urgency. Any system is only as strong as its weakest link.

All off-trade retailers that provide an alcohol home delivery service should review their existing age verification procedures at both the point of sale and delivery stages to ascertain whether they are fit for purpose. Particular attention should be paid to making it clear to customers that receipt of orders that contain alcohol must be by an adult. Retailers should ensure that delivery staff have been given appropriate training in procedures relating to requesting and identifying proof of age, and implement these procedures as standard. Ultimately a test purchasing regime for home deliveries containing alcohol may have to be developed if they do not already exist.

Section 2 Consultation on Overprovision of Licensed Premises

(a) Whether there is overprovision of premises within West Dunbartonshire licensed to sell alcohol.

We recognise the Board's duty to assess overprovision under Section 7 of the Licensing (Scotland) Act 2005 in respect of licensed premises or licensed premises of a particular description in any locality within the Board's area. We also recognise that, in determining if there is overprovision, the Board must have regard to the number and capacity of licensed premises in the locality.

We also recognise that groups such as AFS assert that there is a strong body of evidence to show that the availability of alcohol (i.e. the number of premises) is a significant factor in the prevalence of alcohol-related problems, particularly alcohol-related crime. However, we are not convinced that this evidence is either robust or conclusive enough. There is no simple cause-and-effect relationship between the number of premises and alcohol-related problems and overall it is becoming increasingly difficult to make a link between individual premises and problems in a specific locality. Inequality continues to be the main determining factor: alcohol-related harm in Scotland is still disproportionately experienced by those from more deprived areas.³

Moreover there is an assumption that all licences are equally harmful, despite the amount of alcohol purchased on a daily basis varying enormously between a large supermarket and a local corner shop or between a 'vertical drinking' chain pub and a small bistro.

³ MESAS 2nd annual report December 2012

Our colleagues at the Co-operative Retail Trading Group have provided us with very useful information on the local situation in West Dunbartonshire. We would draw the Board's attention to the following paragraph from the CRTG's draft response to this consultation, which we believe makes very valuable points:

"The number of premises licensed to sell alcohol is not the key variable in how much alcohol is sold. The ADP report says that there are 240 licensed premises (both on- and off-) in West Dunbartonshire. However, it has been argued that 40% of the alcohol sales in West Dunbartonshire come from just three licensed premises. In other words, 237 premises sell 60% of the alcohol in West Dunbartonshire; the other 40% is sold by just three. On average, each of those three premises contributes 13.3% of all alcohol sold, whilst each of the other 237 sells just 0.25%. Clearly, when it comes to volume of alcohol sold, not all licences are equal. A net closure of 54 smaller premises would be required to offset the additional sales volume of just one of the largest premises. All five stores operated by Scotmid Co-operative in West Dunbartonshire have their own alcohol licence and have a combined net selling area of 6,619 sq ft in total. The new Tesco that is being built in central Clydebank would only use one alcohol licence but is 87,000 sq ft in size – thirteen times the size of all five Scotmid stores combined. The Asda in St James Retail Park Dumbarton has an alcohol display area alone amounting to 2,910.3 sq ft; this is roughly equal to the entire shop floor area of both the High Street and Glasgow Road Dumbarton stores operated by The Co-operative Group combined (2,955 sq ft). The total alcohol display area in all six Co-operative Group convenience stores in West Dunbartonshire combined is 3,118 sq ft."

- (a)** Do you agree that the Board should refine its policy to consider the positive health benefits associated with increased employment opportunities as a factor that applicants can demonstrate in support of their application and a factor that may rebut such a presumption?

SGF is, on balance, opposed to the proposal. In our view licensing should not be used as some form of tool to promote economic development. Applications should be considered solely in respect of the applicant's suitability to sell alcohol from their premises. From the point of view of our members, there is a significant risk that 'refining' the policy in this way would facilitate applications from large supermarkets and prejudice applications from local convenience stores. Typically a convenience store will provide around 7.5 jobs⁴. These jobs will be very important to the local community. Convenience stores are a valuable source of employment for young people and for parents who need flexible and part-time opportunities. 52% of convenience store staff have care commitments for children of school or pre-school age.

In 2006 The Federation of Small Business published its study on the Effects of Supermarkets on Existing Retailers.⁵ The findings of this study offered support to the broad view that large supermarket developments impact adversely on the retail structure of the traditional town centre. Through the analysis of the three case studies (Alloa, Dumfries and Dingwall) undertaken, evidence was uncovered that demonstrates the following trends post-supermarket development:

- A decrease in the number of convenience retailers operating in the town centre;

⁴ The Association of Convenience Stores: Local Shop Report 2013.

⁵ Federation of Small Businesses (Scotland) 2006, The Effect of Supermarkets on Existing Retailers Final Report.

- An increase in the number of vacant units and corresponding floorspace;
- A broad shift in convenience expenditure away from the existing town centre retailers to those operating the new supermarket development;
- A significant decline in the level of business activities undertaken by existing retailers. This is attributable in the main to competition from the supermarket; and
- A general decline in the overall number of shoppers frequenting the traditional town centre.

Launching a [joint submission into Scottish Planning Policy](#) with the ACS the Chief Executive of the Scottish Grocers' Federation, John Drummond, argued that "The principle that developments that create jobs should be viewed positively must not be a green light for exaggerated claims made by some supermarket developers in planning applications to override concerns about harmful impacts on existing retailers in town and neighbourhood centres." The principles that the ACS and SGF have proposed to enable scrutiny of claims of increased employment are:

- Jobs created should be expressed in terms of full time equivalent jobs, not all jobs.
- Job claims should be based on the average number of full time equivalent jobs in the business after 18 months of operation.
- Job claims must be assessed against impact on other retailers (especially in town centres) to arrive at an estimated net increase in jobs.

Overall, however we still remain to be convinced that applicants should be able to use health benefits associated with job creation as evidence to rebut the overprovision assumption. We return to our earlier point that licensing should not be used as a tool to encourage economic development – this is not the purpose of the licensing regime.

In effect all such a 'refinement' would do is to give an unfair advantage to the very largest players in the market. It also legitimises the often spurious claims they make on net job creation within our towns and cities. This creates a two-tier system whereby licences are restricted to the largest operators in both the off- and on-trades and, as we alluded to above, potentially decimate existing town centre business in the long-term.

We therefore believe that the risks of creating a system weighted in favour of the largest businesses outweigh any possible health benefits that may come from increased employment.

John Lee
Public Affairs Adviser
j.lee@scotgrocersfed.co.uk

0131 343 3300