Scottish Parliament Local Government and Regeneration Committee Call for Evidence

Air Weapons and Licensing (Scotland) Bill: introductory Questions

Section 4. Alcohol Licensing

Question 24 – Do you have any other comments to make on the alcohol licensing aspects of the Bill?

Overprovision

1. The new licensing bill proposes to amend section 7 of the 2005 Act to enable Licensing Boards to determine that the whole of the Board’s area is a locality. SGF opposes this proposal.

2. We recognise that groups such as Alcohol Focus Scotland 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.¹

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. As it currently stands overprovision is a blunt instrument: it does not take into account the differences between licensed premises and different business sectors. For example, Edinburgh has 449 restaurants, 428 bars/pubs but only 243 licensed convenience stores. As such it is clear that overprovision restricts business development and job creation in business sectors where no genuine overprovision exists.

¹ MESAS 3rd annual report December 2013
4. We do not believe, for example, that for the purposes of assessing overprovision 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.

5. 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, for the purposes of overprovision, the Licensing Boards separate ‘local convenience stores’ and ‘off-licences’ into different categories, much as has already happened with ‘Large supermarkets’. It is important to note that no causal link has been established between the number of licences in a locality and alcohol-related health problems. Nor is it possible to demonstrate, in most cases, that harm is caused by alcohol purchases within the local area. Indeed this was acknowledged by the Scottish government in its consultation paper ‘Further Options on Alcohol’ – ‘it is very difficult, if not impossible in most cases, to make a causal link between where alcohol is sold and where it is consumed.’

6. The assessment of overprovision should be a tool to help address local issues where problems with alcohol related crime and disorder, or alcohol-related hospital admissions, have been identified. Moving the overall evidence-base and approach away from addressing specific local issues to a focus on the entire Board area is likely to dilute the impact and effectiveness of any measures aimed at addressing these very specific local issues.

7. Capacity is an important issue in determining overprovision. If the entire Board area was regarded as being overprovided for it would prevent retailers from ever increasing the capacity of their alcohol sales area. However, in practice such increases would not dramatically increase the amount of alcohol being sold. It would be a paradox if a 20m² increase in selling area of a convenience store was
counted as just as big a threat to an overprovision assessment as a new out-of-town hypermarket. Yet under this proposal each would be subject to exactly the same sort of scrutiny. Retailers frequently remerchandise and refit stores to best meet consumer needs. Most of the time these will just involve ‘micro-space’: keeping the existing shelving and general space splits but moving products around on the shelves. Sometimes, however, to meet consumer demand, to fit in with new brand ideas or to roll out improved formats ‘macro-space’ revisions are necessary. These may involve changing old shelves for new, increasing or decreasing the splits in store space between different categories, or gutting and refitting the store entirely. Extensions to the selling area might be necessary under macro-space refits.

8. Creating a general presumption that no increase in alcohol capacity would be approved in the entire Board area would almost certainly mean that existing retailers would not invest in modernising and refitting stores.

9. Similarly, an extension of trading hours would in general only be likely to marginally increase alcohol provision. Even then an increase in the hours within which alcohol can be purchased would not necessarily mean that more alcohol would be consumed. Just as importantly we feel that it should be noted that the hours in which alcohol can be sold are already restricted by laws and licence conditions.

10. Rather than taking a ‘blanket’ approach to overprovision, Boards should continue to take into account the specific activities and mode of operation of the applicant. The categories used should make clear distinctions between premises such as convenience stores and supermarkets and indeed convenience stores and off-licenses. It is important to note, however, that arguably the number or capacity of premises in a locality in 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. ²

11. The Board’s approach to overprovision should be based on evidence. This will help to ensure clarity and consistency. The evidence should be based on obtainable data per data zone such as alcohol-related deaths, hospital admissions and alcohol-related crime. To re-iterate: the number or capacity of premises in a locality in 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.

² Fraser, A (2012) Preparing an evidence based overprovision policy
12. 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 though the following key areas:

a. Full compliance with the Challenge 25 regulations;

b. Staff training;

c. Appropriate signage;

d. In-house test purchasing;

e. Refusal books.

13. Rather than designating their entire area as a locality for overprovision purposes, Boards 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 actually fell from 156 in 2009/10 to 64 in 2011/12. Clearly this point on enforcement also has to apply any retailers who act in an irresponsible way - it is time to root out the rogue retailers.

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