

SGF

Scottish Grocers' Federation

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Promoting Responsible Community Retailing Since 1918
to ensure a sustainable and prosperous convenience industry in Scotland

SGF Centenary Year



**Response from the Scottish Grocers' Federation
on
South Ayrshire Licensing Board - consultation on
Statement of Licensing Policy**

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SOUTH AYRSHIRE LICENSING BOARD – CONSULTATION ON STATEMENT OF LICENSING POLICY

The Scottish Grocer's Federation

- The Scottish Grocers' Federation (SGF) is the trade association for the Scottish Convenience Store Sector. There are 5,286 convenience stores in Scotland, which includes all the major symbol groups, co-op and convenience multiples in Scotland. 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. In total, convenience stores provide over 41,000 jobs in Scotland.
- Modern local convenience stores are community assets, from providing busy families with a top up shop facility on the one hand, to allowing patrons (particularly the elderly) with an alternative to larger or out of town supermarkets. Many people rely on their local convenience store with the average shopper visiting their local store 3.47 times per week¹ and with 56%² of customers choosing to walk as a mode of travel to stores. The age range of shoppers is as follows³:
 - 14% are 16 to 24
 - 18% are 25 to 34
 - 33% are 35 to 54
 - 28% are 55 to 74
 - 7% are 75+
- Local shopping has, over the years, often been replaced by large destination retail parks, gone from many areas are the local butcher, baker and grocery. The personal interaction with your local retailer is now almost uniquely reserved for your local convenience store.
- Modern convenience stores now offer a wide range of products and services, from deli counters and coffee to Amazon collection lockers. Being able to offer a diverse range is of paramount importance. A more restrictive range simply provides the potential customer with a reason to shop at a competitor. Whilst it is ancillary to wider ranges of grocery and retail, alcohol is an important sales category for our member's stores. A typical convenience store offers a range of at least 17 kinds of different product categories. Alcohol accounts for approx. 15%⁴ of total sales turnover. 76%⁵ of convenience stores have an alcohol licence.

¹ The Scottish Local Shop Report 2017

² The Scottish Local Shop Report 2017

³ The Scottish Local Shop Report 2017

⁴ The Scottish Local Shop Report 2017

⁵ The Scottish Local Shop Report 2017

Introduction

- SGF welcomes the opportunity to contribute to the consultation exercise. We trust that you will find our comments helpful. Our comments relate primarily to points raised in Section 6 – Management of premises, Section 7 – Trading Hours, Section 9.1 & Appendix 2– Overprovision and Section 15 – Off-sales.

Management of premises

Personal licence holders (6.1)

- SGF consider that the current policy is appropriate and reasonable.

Trading Hours (Section 7)

Off-Sales (7.1)

- The Licensing (Scotland) Act 2005 sets out the maximum permitted hours for off sales type premises are 10am to 10pm, each day of the week. We note that the current policy statement indicates that the Licensing Board will have no discretion to permit licensed hours outwith these times. On that basis, SGF support the current policy on licensed hours.

Overprovision (Section 9.1 & Appendix 2)

- 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 note that the licensing board does not have an overprovision policy but did consider the possibility of adopting a policy of overprovision, in significant detail. The draft statement of licensing policy (section 9.1) concluded however that *"...the Board has determined that there is no overprovision either (a) of licensed premises or (b) of licensed premises of a particular description in any locality within South Ayrshire..."*.
- We also note however in Appendix 2 of the draft statement of licensing policy that *"The Board decided that if it were to impose an overprovision policy that it would be South Ayrshire wide, rather than in specific localities within South Ayrshire"*. We thought it would be useful to set out how many of our members will view such a policy. We respectfully suggest that overprovision is a blunt instrument and does little to reduce alcohol related harm. In future, if the licensing board decided to develop an overprovision policy, SGF would strongly urge that this is based on a locality as opposed to whole area approach.
- We also 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.

- Our members are responsible retailers and 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;
 - Use of CCTV;
 - Full compliance with the stores operating plan
- SGF recognise the associated benefits that come from a convenience store opening in a local area. A store opening will create jobs and also offer access to fruit and vegetables to the local community. The SGF Healthy Living Programme (HLP) has been successful in enabling customers to make healthy eating purchases in-store and now has over 2,000 stores participating. With 5,286 convenience stores in Scotland⁶ and with 80% of independent retailers⁷ engaged in some form of community activity in the last year convenience stores have an increasingly important role in their local communities. In the SGF's submission this may be entirely relevant to the licensing objective of Improving and Protecting Public Health and therefore, may be taken into account when the Board is determining whether to introduce an overprovision policy.
- Convenience stores provide a range of key services for their customers and this includes that ability to be able to offer their customers a full range of products, i.e. giving the customer the chance purchase an alcoholic beverage as an accompaniment with home dining. Therefore, a consequence of overprovision is that new entrants to the market are unable to obtain premises licences to authorise the sale of alcohol and are therefore, disadvantaged. The availability of alcohol in a pre-existing competitor store gives the prospective customer a reason to choose to shop there. The convenience element of being able to get their "full basket" from the competitor provides an unfair commercial advantage.
- SGF believe that the entire concept of overprovision should be reviewed to consider whether it remains fit for purpose. We live in an age where customers are able to order alcohol online as part of their shop from a supermarket and have it delivered to their home. This order can be made from anywhere given the prevalence of smartphones. Given this, what does declaring a geographical area as being overprovided for actually achieve? It would seem, arguable, that overprovision has not kept up the development of modern technology and consumer shopping habits. For example, a resident of South Ayrshire may order an online grocery shop and this could be quite legitimately be dispatched from a premises in North Ayrshire or East Ayrshire.

⁶ The Scottish Local Shop Report 2017

⁷ The Scottish Local Shop Report 2017

Off Sales (Section 15)

- The draft statement of licencing policy stipulates that:

“Applications for licences for premises which are to be used for the sale of alcohol for consumption off the premises will be expected to address the five licensing objectives.”

- SGF has no objection to this.

“The Board considers that there should be no displays located at the entrance/exit of the premises.”

- In principle SGF does not object to this however retailers should always be allowed to have displays within any part of the alcohol sales area as outlined in the operating plan for the premises.

“The Board considers that that a refusal book should be maintained in the premises detailing all incidences of refused sales, including the date and time, the reason for refusal and the member of staff refusing the sale. Any such refusal book should be checked and signed by the Premises Manager at least on a weekly basis. The refusal book should be made available for inspection by the Police and Licensing Standards Officers on request.”

- SGF has no objection to this.

While we welcome this consultation exercise the SGF believe the licensing system should not be onerous on retailers. We hope that you find these comments helpful.

Yours sincerely

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