

**APPENDIX 1 TO REPORT LB51/23
ANGUS LICENSING BOARD – 14 SEPTEMBER 2023**

Consultation response - Angus Licencing Board Draft Statement

The Scottish Grocers' Federation

The Scottish Grocers' Federation (SGF) is the trade association for the Scottish Convenience Store Sector. There are 5,098 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 49,000 jobs in Scotland.

Modern local convenience stores are community assets, from offering busy families a top-up shop facility on the one hand, to helping patrons (particularly vulnerable people) manage their weekly household budgets during the cost-of-living crisis and providing an essential alternative to larger or out of town supermarkets. Many people rely on their local convenience store with the average shopper visiting their local store 2.7 times per week and with 57% of customers choosing to walk as a mode of travel to stores.

Many convenience retail businesses are operating in an extremely challenging trading environment, however, and the Scottish Government has acknowledged that continuing to add to the legislative burden could put businesses at risk. In addition to meeting the requirements of new regulations, such as Minimum Unit Pricing; potential restrictions to the promotion of alcohol products and foods high in fat, sugar & salt; and the recently delayed Deposit Return Scheme, the sector as a whole is among the hardest hit by issues such as food inflation, cost-of-living and rising energy costs. The cumulative cost burden of legislation on top of the pressure of these other factors are significantly adding to vulnerability of many businesses.

Being able to offer a diverse range is of paramount importance. Modern convenience stores now offer a wide range of products and services, from deli counters and coffee to collection lockers. 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 18.1 % of total sales turnover. 76% of convenience stores have an alcohol licence.

Introduction

SGF welcomes the opportunity to contribute to the consultation exercise from the Angus Licensing Board. We trust that you will find our comments helpful. Our comments relate primarily to Management of Premises, Licensed Hours and Overprovision.

Management of Premises

Protecting Children and Young Persons from Harm

SGF promote responsible community retailing and recognise the importance of selling alcohol in a responsible way.

This happens through the following key areas:

- Full compliance with the Challenge 25 regulations (an initiative developed in partnership with SGF)
- Staff training
- Appropriate signage
- In-house test purchasing
- Refusal books
- Use of CCTV
- Full compliance with the stores operating plan
- Age restricted till prompts, upon customer checkout

Remote Trading

SGF supports the adopted policy in respect of remote trading as stated in section 11.3.

The increased use of apps and the use of third-party delivery agents allows convenience stores to offer another important and valued facility for customers. The SGF Local Shop Report highlights that 26% of convenience stores offer some form of grocery delivery, providing an important service to their communities.

SGF members use these facilities responsibly and have strict measures, such as record keeping and age verification in place, to ensure the rules around delivery are observed.

Drivers are trained to -

1. Always hand over alcohol to an adult.
2. If no adult able to accept deliver then return all goods back to shop.
3. Never leave items on the doorstep.

SGF members have reported that they ban any household where they suspect underage sales maybe taking place, and go out of the way to ensure they abide by the regulation.

SGF promotes responsible retailing, including the sale of alcohol and any of the other 222 products restricted under legislation.

Overprovision

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 together with any other matter the Board sees fit.

We are satisfied with the statement in Section 5 that 'no robust and reliable evidence suggesting that a saturation point has been reached or is close to being reached, has been provided illustrating a dependable causal link between the operation of any type of licensed premises, or licensed premises of a particular description and alcohol related harm, in any locality or other area within Angus.'

We respectfully suggest that overprovision is a blunt instrument and does little to reduce alcohol related harm. 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.

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.

SGF recognise the associated benefits that come from a convenience store opening in a local area. A store opening will create jobs and 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 2,400 stores participating. With 5,098 convenience stores in Scotland and with 75% of independent retailers engaged in some form of community activity in the last year convenience stores have an increasingly important role in their local communities. In addition, the SGF Go Local Programme, backed by the Scottish Government, supports convenience stores provide dedicated, long-term display space for locally sourced Scottish products. On average, participating stores generated an annual local multiplier figure of £723k, based on retail scanning data provided for all Scottish products. These initiatives may be relevant to the licensing objective of Improving and Protecting Public Health and supporting local businesses, and therefore, may be taken into account when the Board is determining whether to introduce an overprovision policy.

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 can 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 achieve? It would seem, arguable, that overprovision has not kept up the development of modern technology and consumer shopping habits. For example, a resident may order an online grocery shop, and this could quite legitimately be dispatched from many miles away.

Licensed Hours

Off-Sales

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. SGF supports this policy on licensed hours. Therefore, we agree with section 6.6 that states no off-sale licensed hours are permitted before 10.00am and after 10.00pm on any day.

SGF would not support any reduction to the available licensed hours as we believe there would be no evidential basis for such a decision and would also leave applicants for new stores at a disadvantage. Retailers are used to the current licensed hours and so SGF would not want to see them changed. Also, there is not, in the SGF's view, any evidence to suggest that alcohol purchased later in the day is more harmful than purchased earlier or vice versa.

SGF supports section E of the Occasional Licence Local Conditions that states Off-sales are to be sold in sealed containers for consumption off the premises.

Layout Plans

SGF would caution against requiring retailers to provide excessively detailed layout plans of their proposed premises as stated in Section 7. Convenience retailers provide an essential

lifeline service for many communities. However, many are facing an extremely challenging trading environment, with added costs such as increased energy bills, high rates of inflation and interest rates, business rates and the cost-of-living crisis. SGF believes that the Board should seek to avoid adding further to the regulatory burden for these critical local businesses.

In addition, the board should be mindful that some retailers may have difficulties providing layout plans at a non-prohibitive cost. In many cases, smaller retailers may struggle to provide architectural layout plans and access the appropriate service to do so. Potentially denying the local area of an important local service.

However, the number of restrictions to a proposed layout placed on a retailer should be kept to a minimum as there is often a substantial link between the layout of a store and the ability of the store to provide a 'full basket' and range of services for customers.

Furthermore, many of our members operate small stores and do not have many options when it comes to how they display their products. Moving/replacing shelves, fridges, and checkout areas to comply with layout restrictions can cost tens of thousands of pounds, as well as reducing the overall efficiency and stock variety. The practicalities of creating space in many stores would have an enormous impact on the viability of the business. Smaller format stores would struggle to implement such restrictions at an operational level given the limited in-store space available. Leaving them with a competitive disadvantage over larger operators.

SGF is also sceptical of the effectiveness of layout restrictions for reducing alcohol related harm. Customers will usually enter a shop with the intention of buying alcohol, or not. We do not believe that removing products from specific locations within the store would impact on the volume of sales and would be unlikely to impact on consumers purchasing habits. Items would be moved with limited impact on sales but at an additional expense for retailers.

Conclusion

Our members are responsible retailers and they put considerable effort into ensuring that alcohol is sold in a responsible way. SGF works with its membership and the convenience sector as a whole to ensure that they are fully compliant with licensing legislation. We are committed to the objectives set out in the licencing policy statement and hope that Angus council will maintain a licencing system that is not too onerous on retailers.