

## Department for Communities – Liquor Licensing Bill Committee Stage

### Introduction

We welcome the opportunity to contribute our views to this draft Bill.

Retail NI and our members support responsible selling of Alcohol and hope the Minister will take on board our suggestions for changes to the legislation.

#### 1) Categories of licence:

Retail NI supports the introduction of an additional '**Category of licence**' that will allow craft breweries, distilleries and cideries to sell alcoholic products manufactured on their premises as part of a visitor centre experience. This should have a limited provision for 'consumption for tasting' free of charge, or as part of the visitor experience entrance fee and a limited off-sales facility, with the ability to transfer their licence on a set number of occasions annually. They should be able to facilitate the sale of the products they manufacture at designated cultural / tourism events, with limited free consumption for tasting, or as part of the event entrance fee.

We contend that it is important that any new licence category does not duplicate the abilities legislated for within existing licence categories as this would undermine the current marketplace- which is already under considerable pressure. Record numbers of pubs and licensed restaurants are closing (82 pubs and 52 licensed restaurants closed between 2016 and 2018 alone), with considerable job losses to date. Licensing small brewers / distillers for the consumption of alcohol on their premises, beyond that to facilitate 'tasting', would undoubtedly further exacerbate those job losses, and would not replace them on the same scale.

With regards to consumption for tasting on the premises as part of the visitor experience, it is important to remember that the premises are primarily a manufacturing facility. Which allow visitors a tour of the facility, and are not similar to a pub, bar or licensed

restaurant, where the primary focus includes the consumption of alcohol and which have considerably more controls and much higher operational costs. Therefore, the sale of alcohol on these premises is similar to an off-sales, and any on-premises consumption must be limited to sampling. People visiting the brewery or distillery should not be allowed to buy alcohol for consumption beyond that which is provided for tasting free of charge or included in the visitor experience entrance fee. The tasting sample size should be as specified for Off-Sales in the Guidance to Joint Industry Code for Responsible Retailing of alcohol in NI (extract below).

Extract: Guidance on the Implementation of the Responsible Retailing Code (3<sup>rd</sup> Edition January 2018)

**OFF-TRADE**

- *There is a fundamental difference between sampling in the on- and off-trade. In the off-trade, the customer is thinking about purchasing and not consuming, unlike in the on-trade. Sampling in the off-trade is therefore a spontaneous decision based on the offer presented at the time, and the majority of customers are likely to be driving.*
- *All sampling must be conducted in accordance with the principles of responsible serving.*
- *Alcohol should not be left unattended in the designated area, and water should be provided on sampling stands.*
- *Sampling should only be done in the licensed area.*
- *A total limit equivalent to 1 standard drink (10g of pure alcohol) is the **MAXIMUM** which should be offered in the off-trade –*

<i>No. of samples</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
<i>Product</i>	<i>Maximum Sample Size in ml</i>			
<i>Beer/Cider</i>	<i>284</i>	<i>142</i>	<i>95</i>	<i>71</i>

<i>Spirits</i>	<i>35.5</i>	<i>18</i>	<i>12</i>	<i>9</i>
<i>Wines</i>	<i>100</i>	<i>50</i>	<i>33</i>	<i>25</i>
<i>Sherry</i>	<i>71</i>	<i>36</i>	<i>24</i>	<i>18</i>

*Sampling personnel should advise consumers that the total alcohol in all the samples combined does not exceed a maximum of 1 standard drink.*

*(1 standard drink = half a pint of beer/cider = 1 pub measure spirits= 1 small glass wine)*

This new category should also have a facility similar to the Temporary extension Notifications in GB (TEN), that would allow the licence to be transferred (with Police approval) to facilitate the sale of products they manufactured, at designated cultural / tourism events (for consumption off premises), with limited free 'consumption for tasting' or as part of the main event admission fee (sample size as detailed in the Responsible Retailing Code NI for off-sales).

## **2) Major events**

Retail NI supports the introduction of powers to vary licence conditions to support the viability / sustainability of 'Major events' of regional economic or cultural significance taking place in Northern Ireland. This is part of an increase in the Permitted hours and drinking up time to support the viability / sustainability of the wider industry in Northern Ireland.

With international events playing an increasing role in the Northern Ireland tourism offer, there have been a number of events that have been negatively impacted by the lack of ability to vary the hours for the sale and consumption of alcohol when the event falls outside the scope of the current licensing legislation. There is now a clear need for the ability to have controlled flexibility of licensing provision to support the viability / sustainability of events of regional economic significance.

Retail NI believes that these powers should also include the power for the Department to vary licence conditions for sporting events of regional significance taking place both in and outside Northern Ireland.

However, any changes must be accompanied by an increase to the Permitted hours and drinking up time to support the viability / sustainability of the wider industry.

### **3) Deliveries of alcohol**

While the current law does not make it illegal to deliver alcohol to a young person under 18, best practice amongst industry is to undertake age verification policies for remote sales. For example, ACS' Preventing Underage Sales Assured Advice provides guidance ([https://www.acs.org.uk/sites/default/files/acs\\_advice\\_age\\_restricted\\_sales\\_aw7\\_d4\\_v1\\_03.05.19.pdf](https://www.acs.org.uk/sites/default/files/acs_advice_age_restricted_sales_aw7_d4_v1_03.05.19.pdf)) for convenience retailers on the age verification process they should undertake for home deliveries of age restricted goods.

We believe that if the Northern Ireland Executive decides to make changes to the law to strengthen age verification policies around the delivery of alcohol, it must be based on evidence which suggests the current law causes harm to young people. There is currently no evidence to suggest that the delivery of alcohol in other areas of the UK causes harm to young people.

### **4) Underage functions**

Retail NI believes the legislation should be changed to allow young persons under 18 years into licensed premises to attend underage functions on the condition that alcohol is not being sold.

Currently, persons under the age of 18 years are only permitted on licensed premises (hotels, restaurants and public houses) if they are dining and accompanied by an adult, and they must leave the premises by 9pm.

This situation means that licensed premises cannot hold, for example, an under 18 disco, school formal, careers convention for under 18s or even a church function or service for under 18s, even if the bar is closed and no alcohol is for sale. Whilst there is no desire to change legislation to allow the consumption of alcohol by persons under 18, it is ludicrous that having a teenage disco has, in the past, led to the prosecution of the owner of a host venue.

## **5) Restrictions on Advertising in Supermarket and Off-sales**

We do not agree that the Northern Ireland Executive should introduce restrictions on the advertising. From the experience of Scotland, which has led to a stricter licensing regime, implementing a number of changes to the Licensing Act (Scotland) 2005 since its introduction, most notably the Alcohol (etc) (Scotland) Act 2010, which restricted the location of alcohol to one area in-store.

These legislative controls burdened retailers operationally. Convenience retailers, typically smaller than 280 sqm have very limited space in-store to promote, place, and advertise the products they sell regardless of any restrictions. Despite additional licensing controls in Scotland, 9% more alcohol was sold per adult in Scotland compared with England and Wales in 2018 (MESAS 2019).

The consultation also proposes that any advertising of alcohol be prohibited within the vicinity (200m from the boundary) of the premises. 60% of independent convenience stores are smaller than 999 sq. ft. and 32% are smaller than 1,999 sq. ft. which means that retailers already have very limited space in their stores to promote, place and advertise the products that they sell. This means that retailers take advantage of all available space, which in some cases means that a retailer may stock alcohol or display alcohol next to a window. We would welcome clarification if this would still be allowed under the restrictions. If not, this will add further complexity to where retailers locate not only their alcohol promotions but also alcohol product in store which will especially challenging for smaller stores..

## **6) Provision of entertainment in restaurants**

Retail NI believes the illegal trading of a small group of irresponsible licensed restaurants damages the commercial viability of other law-abiding restaurants, hotels and pubs. However, a requirement to display a notice detailing the conditions in relation to the sale and consumption of intoxicating liquor in licensed restaurants would have absolutely no impact on the illegal activity of the small group of restaurants that trade outside the restrictions of their licence.

Restaurants play an important role in the Northern Ireland food and beverage offering and, whilst the majority of restaurants operate within the licensing legislation, (which

requires alcohol to be sold as part of dining and included on the main table bill), licensed restaurants are not allowed to charge an entrance fee.

There are a small but persistent number that trade similar to a pub or hotel without the associated costs that the other licensing categories incur (i.e. business rates based on receipts and expenditure), with their actions giving them a competitive advantage and increased profits when compared to the majority of law abiding restaurateurs.

## **7) Self service**

We would welcome further clarity on the proposals to restrict the use of self-service and whether this extends to self-service tills. We do not agree that the law should be changed to prevent the use of self-service checkouts for the sale of alcohol.

The Retail of Alcohol Standards Group's best practice guidance for Northern Ireland advises that retailers must ensure that alcohol sales through self-service tills cannot be made without authorisation from staff.

There are operational implications for convenience retailers if there are restrictions on the use of self-service options such as parcel collection points and click and collect services as 27% of convenience retailers have parcel collection points and 26% have click and collect services. For instance, how would a retailer know that a parcel contained alcohol? Would this need to be labelled on the package itself? For parcel collection points, such as lockers which are generally unattended, would new processes need to be introduced for retailers to identify parcels and restrict ones which are alcohol products from being collected through those means? If so, where would the retailer be able to store the product for collection as space is limited in convenience stores. Or instead would there be restrictions introduced online which prohibit selection of click & collect options when purchasing alcohol products?.

## **8) Codes of practice**

The Responsible Retailing Code provides best practice on the sale of alcohol. We do not agree that retailers should be required to follow the code in order for their liquor licence to be granted or renewed. A retailer should only be required to demonstrate their compliance with the law in order to obtain or renew their licence. Licensing authorities must also consider licence applications on a case by case basis rather than predetermining an application.

Retailers can still be responsible retailers of alcohol without signing up to the code. They will still trade lawfully and many may have policies in place similar to what is set out in the code but may not have signed up to the full set of policies as it may not be practical for them to do so. Requiring retailers to comply with best practice would act as a barrier for a retailer to obtain their alcohol licence and also be a barrier to trade.

### **9) Remote sale of alcoholic drinks**

Retail NI supports the proposal to provide clarification on the 'Remote sale of alcoholic drinks' specifying that the premises from which the alcoholic drinks are dispatched must be licensed.

### **10) Loyalty schemes**

Irresponsible promotions and marketing practices that encourage or incite individuals to drink to excess have no place in the licensed trade. However, responsible promotions and marketing practices, including loyalty schemes, are a legitimate way of maintaining and developing business.

Glyn Roberts

Chief Executive Retail NI

245 Upper Newtownards Road, Ballyhackamore, Belfast BT4 3JF  
Tel: 028 90220004 Mob: 07515 710517  
Email: [glyn@retailni.com](mailto:glyn@retailni.com)