



Northern Ireland
Assembly

Committee for Communities

OFFICIAL REPORT (Hansard)

Licensing and Registration of Clubs
(Amendment) Bill:
Northern Ireland Independent Retail
Trade Association

13 October 2016

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Members present for all or part of the proceedings:

Mr Colum Eastwood (Chairperson)
Ms Michelle Gildernew (Deputy Chairperson)
Mr Andy Allen
Ms Nichola Mallon
Mr Fra McCann
Mr Adrian McQuillan
Ms Carál Ní Chuilín
Mr Christopher Stalford

Witnesses:

Mr Glyn Roberts Northern Ireland Independent Retail Trade Association

The Chairperson (Mr Eastwood): You all know Glyn.

Mr Glyn Roberts (Northern Ireland Independent Retail Trade Association): Hopefully, for the right reasons.

The Chairperson (Mr Eastwood): You have done this before, so you know the drill.

Mr Roberts: Thank you very much, Chair. We welcome the opportunity to present on the licensing Bill.

I had indicated to the Clerk that we would like the opportunity to present to your Committee on our alternative Programme for Government. We have put forward quite a number of detailed proposals about what we want the Department for Communities to do in this mandate. It would be a good opportunity for us to brief members.

Given the joint nature of the retail and hospitality sectors in town and city centres, we share many of the concerns that were outlined last week by our colleagues in Hospitality Ulster. Retail and hospitality are the twin pillars that make a successful town or city centre. When one sector is impacted, both sectors are impacted. The bottom line is that we cannot do town and city centres without a strong retail sector and a strong hospitality sector, because 21st-century town centres are all about that combination.

It is also about making sure that our town and city centres are destinations and fun places. That vibrant mix of bars, restaurants and shops is absolutely indispensable. That is why we fully support the sensible modernisation proposals of our colleagues in Hospitality Ulster.

Quite often, a win can be what is not in Bills like this. The Minister deserves credit for at least introducing it. At the early stages, there was some discussion about there being a physical wall between a store and its off-licence section. That would be a huge cost for small independent retailers, so, thank goodness, that idea was quickly dropped. We welcome the fact that the Department did not put forward the idea of separate tills. It is worth pointing out that many of the people whom we represent and who own off-licences are just as concerned about the misuse of alcohol and its detrimental effect in the community. The huge growth in the selling of low-cost alcohol by supermarkets, including selling lager more cheaply than water, has not only had a huge impact on society and the health of our community health, it has undercut legitimate small independent retailers who cannot sell loss-leaders in the same way. Many offer meal deals, such as including a bottle of wine, but they certainly could not match the loss-leaders that many of the big supermarkets put forward in the form of alcohol deals. We are up for an important discussion on that.

Of course, we wait with interest to see what will happen in the minimum unit pricing debate, and we approach that with an open mind. As well as addressing the community health issue, there is a very strong argument that it will level the playing field between small independent off-licences and the big supermarkets. It would make it much harder for them to offer some of their quite bizarre alcohol promotions.

Clause 12(1)(3) states:

"In paragraph (2), the reference to the vicinity of licensed premises is to the area that extends 200 metres from the boundary of the premises."

There probably needs to be a greater definition of what constitutes "the boundary of the premises". Is it the store, or is it the car park? Some of the big supermarket car parks are well in excess of 200 metres. If it is the car park — the Bill is quite vague on it — would they be able to have alcohol promotions in their car parks? From the point of view of our guys, even if they have a car park, there is no way that it is that size. It could be argued that they are at a competitive disadvantage. It is important that the Department clarifies that. If that is not the case, I certainly recommend that the Committee look at an amendment to ensure that, right across the board, there is no alcohol advertising in car parks — full stop. That needs to be very clear. It could give an unfair competitive advantage to large supermarkets. I am not sure whether that is a technical issue or one that needs an amendment. I am fairly sure that the Minister would have no objection to that.

There are other issues in clause 12 that need to be clarified further, such as retailers using A-boards outside their store and posters facing out from their windows. Third parties such as drink manufacturers, which probably advertise in a very generic sense rather than in relation to a particular store, probably need to be looked at as well. Are they legally required to do that? There is an issue with drinks manufacturers and their PR and marketing campaigns. Obviously, they sell products right across the board for off-licences, large and small. A little clarification is needed on that.

By and large, there are some good things in the Bill. It could have been a lot worse for small independent off-licences. The Bill references supermarkets throughout. Very rarely does it mention small independently owned off-licences. They are not the villain; by and large, they are responsible retailers who care about the community that they serve. They have not been able to sell lager more cheaply than water, to use one example. The Bill does not really touch on them. I suppose that the thrust of what we would put out is having a look again at clause 12.

The Chairperson (Mr Eastwood): That is useful, Glyn. For the record, I am with you on the supermarkets. It is a disgrace that they are able to do that. Outside of minimum pricing, which, I suppose, we will have to wait to be resolved, is there anything that you can see that is not in the Bill that we maybe could fit into it, that could address some of the issues that allow large multiples to price everybody else out of the market?

Mr Roberts: As I said, the Bill refers to supermarkets throughout and has very little to say about small, independently owned off-licences. I worry that the thrust of the Bill means that the people whom we represent are somehow in the same boat as the big supermarkets; clearly they are not. That was something that we pointed out in the early stages of the consultation on the Bill. I am not saying that the people whom we represent in that regard are perfect — they are not — but they have a stronger track record and, by and large, are responsible retailers.

We would certainly like to see clause 12 looked at and tightened up; there may be a number of amendments there. I consulted quite a number of our off-licences before putting this submission forward to the Committee and, when we looked at it, the point that there might be a get-out clause was specifically raised. For instance, if you look at an example that is not very far from here, there is a huge hypermarket in the form of Tesco at Knocknagoney, which has a very big car park. You could easily see that it could get around these regulations by putting alcohol-promoting advertisements within its car park. Obviously, the people whom we represent cannot do that. That is probably the biggest issue there. We certainly want that to be looked at.

At the start, I said that a lot of daft ideas were being kicked around at the start of this process, which thankfully have been kicked into touch. If you look at the situation that our members are in with licensing, we already have, if you like, a partition bit where stores are separated and you have to get through a turnstile on many occasions. Our members also still operate under the old surrender principle. We do not have the same deregulation that we have in the rest of this island and the rest of the UK, and they operate under very tight constraints. That would be a difficult argument to reopen, and I am not sure that we want to do that.

There are some modest changes that we want to see in clause 12, but we share the concerns of our colleagues in Hospitality Ulster. We spent quite a bit of time in this room yesterday talking to your colleagues on the Finance Committee about our joint proposals for rate relief to support our sectors. We certainly suggest that we are happy to support the very modest modernisation proposals that Hospitality Ulster has put forward.

The Chairperson (Mr Eastwood): OK. That is useful. Thank you.

Ms Ní Chuilín: Thanks, Glyn. There is a lot of sympathy for what you said, particularly about the big supermarkets and, indeed, some of the hypermarkets having an unfair advantage. I do not want to amend the Bill, because it looks like you are picking on some of the smaller, independent traders, but I have an issue with the bags that alcohol is put into by off-licences. They do not advertise the shop. There was an initiative called the community off-sales initiative (COSI). Some of the local traders in my constituency are very responsible, but there was still a reluctance to do it. That is the only difference. Supermarkets have their bags and their branding, and if children have alcohol open and are drinking it from a bag, it can be confiscated. When you are dealing with blue or pink bags, it is really difficult, and a complete minority of off-licences just did not want to get involved in that initiative. It was difficult. I would much prefer that it were done on a voluntary basis than having to legislate for it. Other than that, I think that you could use your good influence to talk to off-licences about that, because it is an issue that is coming back again full circle.

You mentioned having looked at clause 12 and the ways in which that could be tightened up, perhaps through boundaries. Is that the only clause that you feel needs to be amended to suit the needs of the people you represent?

Mr Roberts: The Bill talks mostly about the hospitality trade. Clause 12 is really the only part of the Bill that deals with retail. I think that tightening up certain parts of clause 12 would not be unreasonable. Your point about carrier bags is fair. Our members are very keen to ensure that they stay on the right side of the law by asking the age of people who buy. I worry at times that, even from some of the media coverage of this, every off-licence owner is put into the same boat as the big supermarkets. That is certainly not the case with our members. A lot of the promotions that our members do are in and around a meal deal — a bottle of wine with your meal. It is certainly not the big alcohol promotions that the big supermarkets do. The Bill, in the way that it is drafted, talks about supermarkets, and I say that that needs to be changed.

We have sympathy with and support for our colleagues in hospitality. Obviously, you have just heard from our colleagues in the Hotels Federation. High streets and town centres are all about that mix. It is all about what I call the Ballyhackamore factor, which is where my office is. In that area, you have a real good range of bars and restaurants, and, in the same sense, great retailers. The nature of grocery shopping has changed in that the big weekly shop is in stark decline now; it is about multiple basket shops. You can now begin to see a move away from that 1980s-style big weekly shop to something that is more akin to multiple shopping trips. If you have good bars and restaurants, you are putting the social aspect into shopping as well as ensuring that you have a dynamic mix of retail.

We are very happy to engage with the Department on that to get this right. I understand that the Minister is open to amendments in relation to some of the issues on the hospitality side, so I hope that he will be open to some of the amendments that we will suggest on clause 12.

The Chairperson (Mr Eastwood): Glyn, does this Bill mean that a small off-licence cannot do any promotion at all?

Mr Roberts: They can do it within the bit of the store that retails alcohol. There are some clarification issues, maybe if they have a window looking out, and also third parties. I think that the Bill touches on that, but, again, it is more of a drafting issue. Certain aspects of the Bill appear very rushed, more so in terms of drafting in clauses and the interpretation of those clauses. I think that, in certain areas, it is about tightening up. Ultimately, I think that the Minister needs to be commended for bringing this Bill forward, because obviously there is a big demand to get this Bill out. For good or ill, at least he has done that. I think that there are sensible amendments that your Committee could put down that would strengthen the Bill in terms of the legal interpretation, particularly on what our members can and cannot do around advertising.

The Chairperson (Mr Eastwood): That has been very useful. Thanks, Glyn.