



**NIRC Submission to the Committee for Communities
Request for Evidence on the Proposed Changes to
Alcohol Licencing.**

November 2016

Introduction

About the Northern Ireland Retail Consortium

Retail is an exciting, diverse and dynamic sector undergoing transformational change. The NIRC is at the forefront – enhancing, assisting, informing and shaping. Our mission is to make a positive difference to the retail sector and to the customers it serves. Our broad range of stakeholders demonstrates how retailing touches almost every aspect of our culture. The NIRC leads the sector and works with our members to shape debates and influence issues and opportunities that will help make that positive difference. We care about the careers of people who work in our sector, the communities retail touches and competitiveness as a fundamental principle of the sector's success – our 3Cs.

Foreword

As responsible retailers of alcohol we share the concerns of the Minister and the Department about problem drinking and we have worked hard to provide meaningful tangible solutions that ensure that the correct safe guards are in place to prevent underage drinking as well as working with communities, the police and government at all levels to ensure best practice and a joined up approach to this problem. We welcome the chance to continue working with government and other agencies to address concerns and provide solutions and safeguards that work for the good of all consumers.

We however do want to prevent unnecessary burdens on responsible consumers and to make sure that the retail sector is not unfairly disadvantaged by any regulation. Our sector in Northern Ireland employs over 80,000 people and invests millions of pounds every year in our economy. For the sector to continue to deliver for Northern Ireland, we must ensure that any regulation is not an unnecessary burden and will allow us to continue to grow.

Responsible retailing

Our members take their responsibilities for selling alcohol responsibly extremely seriously. We have worked closely with Government and other agencies to tackle illegal sales of alcohol and promote responsible consumption.

We were the first sector to introduce the Challenge 25 approach to sales, where all those under 25 must provide ID before they are sold alcohol. This has successfully driven down underage sales and we have consistently outperformed other sectors such as pubs and clubs.

To supplement our Challenge 25 work, we set up the Community Alcohol Partnership programme, including one in Derry/Londonderry. This brings together schools, local authorities, retailers and police to tackle underage sales and low level disorder.

We have also been at the heart of initiatives to promote responsible drinking. We adopted the Government's health label before other drinks' companies and it is now on all own brand products sold by the major retailers. This is supported by shelf edge labelling reinforcing messages on unit labelling. We are also major contributors to the Drinkaware Trust, the independent Trust that is co-ordinating campaigns aimed at parents and younger drinkers. We believe partnerships involving all the key stakeholders are the best way to tackle both existing issues and educate the next generation to drink responsibly.

Our members are also members of Retail of Alcohol Standards Group (RASG), and we operate the highest standards when it comes to the responsible retail of alcohol investing heavily in training our colleagues in these standards.

Our members invest heavily to ensure compliance with their licensing obligations and to operate as the responsible retailers their customers demand. We have always supported targeting and applying sanctions to irresponsible retailers, but we also support proportionate, evidence based regulation. Poorly targeted measures that place major burdens on retailers regardless of their approach to alcohol will ultimately affect consumers by reducing choice and value.

We ensure that the alcohol we sell is marketed responsibly, adhering to the Portman Group best practice codes for packaging and promotions and the Advertising Standards Agency codes on advertising.

Our members support a clear, consistent and co-ordinated approach to licensing and regulation that encourages growth and investment, reduces the cost of doing business, stimulates job creation and encourages consumer confidence. We welcome the NI government's better regulation ambitions and we are keen to work in partnership to achieve these aims. Similarly, we have offered our support to help Government achieve many of the outcomes in the draft Framework for Government document, but our quid pro quo is that we ask in return for policies which enable us to continue to invest and grow in Northern Ireland.

We have concerns that some of the consultation proposals will run contrary to these ambitions, serving instead to increase the burden on responsible retailers. The proposals also risk undermining the professionalism of the alcohol retail industry at a time when we are seeking to promote high standards.

We need a licensing system that allows boards to address the adverse consequences of alcohol misuse and irresponsible sales, but we must also allow decent and responsible operators to run their business free of excessive and unnecessary burdens.

Delivery of intoxicating liquor to young persons

We are not aware of any evidence to show that the purchase of alcohol by underage people through home delivery or wine clubs is an issue, or that legislation is needed to tackle it. Indeed, evidence shows that the vast majority of alcohol that is acquired by under-age drinkers is not acquired either through retailers or home delivery systems, but straight from parents or through proxy-purchase sales.

According to the Northern Ireland 'Young Persons' Behaviour and Attitudes Survey Bulletin October - November 2013'^[1], only approximately 7% of students drink alcohol on a regular basis (monthly). Students most commonly receive this alcohol from parents, by taking it from the home or through proxy purchases. According to the same survey, 82% of pupils who have drunk alcohol have never purchased alcohol themselves.

We support greater efforts by the Police to crack down on proxy purchasing, which is very difficult for retailers to address, as it is often impossible for a responsible retailer to know whether an adult is purchasing alcohol for their own consumption or for an underage drinker. We would also like to see greater support for targeted, local solutions like Community Alcohol

^[1] https://www.health-ni.gov.uk/sites/default/files/publications/dhssps/bulletin-2013-yppbas_0.pdf

Partnerships, which aim to tackle public underage drinking through co-operation between alcohol retailers and local stakeholders, such as Trading Standards, Police, local authority licensing teams, schools and health networks.

All retailers' delivery drivers are trained to apply Challenge 25 on the doorstep. This amendment delivery would require costly reworking of systems and retraining of delivery staff, without any evidence that it would help to tackle underage drinking.

Restrictions on off-sales drinks promotions

Our members do not believe that there is a clear evidence base in support of this proposal. The licensing regime in NI for the off-trade is already restrictive and the sale and promotion of alcohol is highly regulated, both through legislation and voluntary agreements.

We believe that limiting promotional material to the alcohol areas is unnecessary and ineffective regulation. In Scotland the same measures have failed to make any impact on reducing alcohol related harm. They have, however, created the anomalous position whereby it is legal for one retailer to advertise alcohol within the vicinity of another retailer's store and vice versa, but illegal for each retailer to advertise alcohol outside their own stores.

The Bill proposes no such restrictions for alcohol producers or for pubs, many of which include visible external advertising of alcohol. We can see no reason why this would be allowed to continue outside a pub car park but not a retailer car park.

It is important that any regulations on advertising and marketing in and around stores factor in the lessons from the development of the policy in Scotland. The original proposals in Scotland would have inadvertently required retailers selling newspapers which included alcohol advertising to sell these from the alcohol aisle and would have banned free in-store magazines which included alcohol advertising. Care must be taken to ensure this does not happen. It must also be made clear that retailers can only be held responsible for their own advertising in the vicinity of stores and not advertising by a third party over which they have no control. We note the proposed exemption for the promotion of meal deals that include alcohol, which would be a sensible move should this proposal be taken forward.

Further clarity on what constitutes a 'promotion' is key. A large proportion of the issues faced in Scotland are around the lack of clarity as to the definition the phrase, leading to a lack of consistency in approaches from local Licensing Standards Officers. This inconsistency across Scotland creates greater burdens on retailers.

There is also a need for clarity on whether generic unbranded signage stating that a premises sells alcohol be counted as 'promoting' the sale of alcohol. Some of our members operate convenience model stores, some of which have alcohol licences. Convenience model stores which do hold licences therefore need to be able to communicate to consumers where purchase of alcohol is possible in store.

We do not believe, however, that the proposal would have any impact on patterns of consumption or harmful behaviour related to alcohol, but would increase the burden on responsible retailers.

Code of practice

Our members have serious concerns over the proposal to permit formal approval of codes of practice on responsible retailing. The operation of codes of this type are not subject to Executive scrutiny in the same way that licensing legislation is, and it is appropriate that licensing restrictions are fully considered by the Assembly to ensure their impact is not disproportionate or unnecessary. This provision would effectively delegate responsibility away from the Executive and could allow those that develop codes to amend and extend them as they see fit with no consultation or scrutiny. If administered incorrectly, a code of practice on retailing could cause significant damage to NI's retail sector.

We believe that through the already high standards put in place by our members, we actually surpass the measures laid down in the current voluntary code and our members have, throughout each of the devolved assemblies and Westminster, been firmly against paying for self-regulation.

We would be opposed to attempts to apply a code of practice governed by the hospitality sector to the retail sector. An effective code of practice requires an in-depth understanding of the sector it seeks to govern, and there are fundamental differences between the on- and off-trade that mean that the remit of one code of practice cannot be applied to the other. Alcohol sales in the on-trade are de facto about immediate consumption on those premises, whereas alcohol sales in the off-trade are made by customers who will be consuming the alcohol later on and in a different place, and often with a wider group of family and friends. Indeed, many customers consume the alcohol they have bought in-store over several weeks or months. To avoid any conflicts of interest, or perceptions of such, we would urge the government to ensure that the introduction of any code of practice is taken forward on a sectoral basis to ensure it is fit for purpose for the sector that it intends to govern. This includes the remit of the code, its administration and the handling of rulings and complaints.

We believe that any code panel must be wholly independent including the secretariat. It would not make sense for the agri-food processors to provide support to the Grocery Adjudicator nor would it make sense for a committee such as the Communities Committee to have clerks who were all members of one party. Similarly, the secretariat for the voluntary code must be above possible reproach. Our members are commercial companies and it must be shown that their interests will be impartially protected.

Removal of exemption for angostura bitters

Our members have no objections to this proposal.

Conclusion

We are willing to work with Government at all levels to encourage healthy eating and responsible consumption of alcohol as is shown by our track record in this area. However, these proposals put an unwelcome burden on both consumers and responsible retailers of alcohol for little -if any - return.

Contact:

For further information, please contact:

Aodhán Connolly, Director. Northern Ireland Retail Consortium



