



Licensing Act 2005 An off-trade perspective

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Presentation outline

- About SRC & Scottish retail sector
- Economic context
- Other SRC policy priorities
- Better regulation
- Licensing Act
 - Main issues during implementation period
 - How we addressed them
- What next?
- Conclusion



The Scottish Retail Consortium

- Main umbrella body for Scottish retail
- Full spectrum of Scottish High St
- Large, medium & small stores
- Food & non-food retail
- Town-centre, edge-of-town & out-of-town + online
- Part of BRC



SRC Board

- | | |
|--------------------------------|---|
| ➤ ASDA | ➤ National Federation of Retail Newsagents (Scotland) |
| ➤ Association of Charity Shops | ➤ Sainsbury's |
| ➤ Boots | ➤ Scottish Grocers' Federation |
| ➤ Debenhams | ➤ Tesco |
| ➤ John Lewis | ➤ Wine & Spirit Trade Association |
| ➤ Marks & Spencer | ➤ Chairman – Ken McKenzie, former Chief Officer, Scottish Co-Op |
| ➤ McDonald's | |

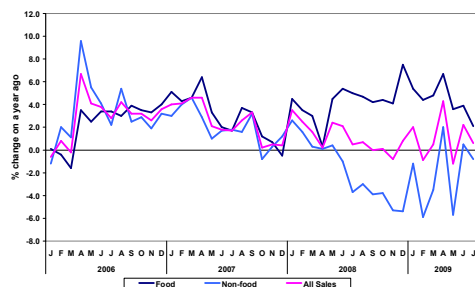


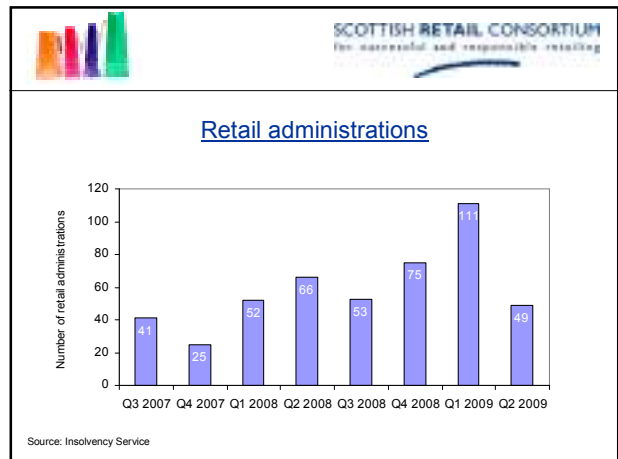
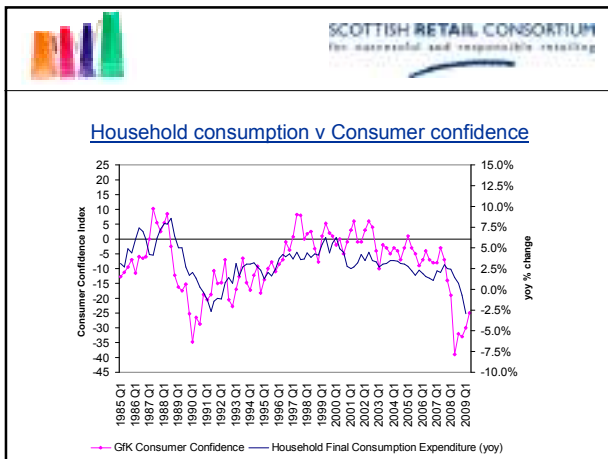
Scottish retail & the economy

- 15,000 VAT-registered businesses
- £24bn turnover = 11% of total Scottish turnover
- 1/4m employees = 10% of workforce
- Scottish shop prices up 3.7% since Jan '06 – CPI up 9.8%



SRC Scottish Retail Sales Monitor Like-for-like sales



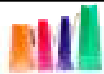


- SCOTTISH RETAIL CONSORTIUM
for successful and responsible retailing
- ### SRC – Policy agenda
- Economic environment
 - Business rates – 2010 revaluation & transitional relief
 - Environment – waste & climate change policies
 - Town centres, planning, property
 - Swine ‘flu pandemic
 - Scottish national food & drink strategy
 - Tobacco products – display ban
 - ...Alcohol – Licensing Act 2005 & Alcohol Bill

- SCOTTISH RETAIL CONSORTIUM
for successful and responsible retailing
- ### Scottish retail – the good news
- Investment
 - Employment
 - Training
 - Support for Scottish suppliers
 - Regeneration
 - Contribution to local communities

- SCOTTISH RETAIL CONSORTIUM
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- ### Better regulation principles
- Targeted – focus on problem & minimise side effects
 - Proportionate – intervene only when necessary, with remedies appropriate to the risk, with costs identified & minimised
 - Consistent – joined up & implemented fairly
 - Transparent – regulators open, & keep regulations simple
 - Accountable – able to justify decisions, & subject to public scrutiny

- SCOTTISH RETAIL CONSORTIUM
for successful and responsible retailing
- ### Voluntary alternatives to regulation
- Challenge 21 → Challenge 25
 - Point-of-sale & labelling information
 - Portman Group – marketing & advertising
 - Drinkaware
 - Community Alcohol Partnerships, Fife Project
 - Campaign for Smarter Drinking – 5 years, £100m
- 4th - 10th OCTOBER 2009 ALCOHOL AWARENESS WEEK
WHAT'S IN IT FOR ME?



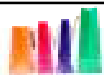
Scottish Off-Trade Forum

- Scottish Government Alcohol Industry Partnership
- New group focussing on impact of Scottish alcohol legislation on off-sales
 - Scottish Retail Consortium
 - Scottish Grocers' Federation
 - Wine & Spirit Trade Association
- Monthly meetings with Scottish Government



Licensing changes & the consumer

- Changes to hours
- Single display area
- Shouldn't Government explain to the public?
- Left to retailers to shoulder the burden



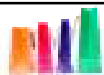
Implementation timetable

- Some areas, significant backlog in issuing licences
- November extension helpful, but...
- Need clear assurances, & pragmatic enforcement
- By end of July, critical urgency - wrote to:
 - Minister
 - ACPOS
 - COSLA



Mandatory conditions - 1

- 72-hour rule
 - Much discussion about what it meant
 - Impact on off-trade disproportionate
 - Unintended consequences



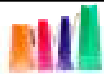
Mandatory conditions - 2

- Off-trade promotions
 - Major & unacceptable degree of uncertainty for retailers
 - Contrary to:
 - existing guidance
 - original intentions
 - Parliament's wish to cover in debate on new Alcohol Bill
 - Need for evidence-based policy



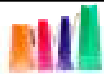
Costs & burdens

- £m costs of implementation
- ?£3k-4k cost for average premises
- Ongoing fees
- Impact on smaller retailers, tourism etc
- Accounts Commission scrutiny



And looking ahead...

- **Uncertainty**
 - How will enforcement bodies enforce?
 - Development of precedent & case-law
- **Need for consistency**
 - Co-ordination of enforcement bodies
 - Clear guidance
- **Need time – to bed in, to stand back, to assess & evaluate, to learn some lessons**
- **Yet more legislation – the Alcohol Bill...!**
- **Referral to Regulatory Review Group**



Thank you

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