



Northern Ireland  
Assembly

Committee for Communities

# OFFICIAL REPORT (Hansard)

Licensing and Registration of Clubs  
(Amendment) Bill:  
Wine and Spirit Trade Association

18 February 2021



First, the Wine and Spirit Trade Association (WSTA) is, as it says on the tin, a trade association — the largest in the UK. We are unique in that we represent more than one type of product, so both wines and spirits, and producers, retailers and all the businesses at various points along the supply chain. We have a strong retail membership, including most, if not all, of the large supermarkets, wine clubs and those delivering directly to home. The way that we work with lawmakers in the UK, and occasionally beyond, is to, in giving evidence, help them to focus on the aim of a Bill or amendments and on whether the proposals are sufficiently clear and targeted. In doing so, we look at the evidence across the UK to see what it tells us and, in particular, at whether the proposals are enforceable, workable and proportionate. I will summarise quickly the five main points that come, in our view, from the proposed amendments. In summary, we support the plans to modernise the licensing laws in Northern Ireland, as that is probably overdue. However, we do not believe that all the proposals will achieve the specific aims of tackling alcohol misuse and promoting responsible consumption, and I will try to flag some of those up.

As I said, I will flag up five points. First, we are a little disappointed that the amendments fail to address what we think is the most fundamental issue in the licensing regime currently, and that is the requirement to have licensed tills in supermarkets. The 75:25 split is, I understand, pretty rigid, but there are strong reasons why that needs to be included in the scope. Those are: the evidence, particularly recently since the relaxation of that requirement; the advent of technology, some of which is already in practice and lots of which is coming, particularly with the support of the Home Office in London; the experience of COVID and the fact that, where the relaxation has happened, it has, I think, worked very well; and, finally, alignment with England and Wales. Our bottom line is that the proposal to ignore the 75:25 split probably does not take account of how a retailing operation happens, how customers behave, the fact that unlicensed tills are used very irregularly, and the fact that those under 18 tend to use new technology to a greater extent than others.

Secondly, we think that the proposals on loyalty schemes are untargeted and would have unintended consequences, particularly because, to speak bluntly, customers like loyalty schemes and local communities benefit heavily from them, particularly charitable giving. Of course, rewards are not instant, so we do not understand the rationale for prohibiting them.

Thirdly, some of the proposals seem not to understand fully the stringent and robust safeguards in place for a business model where alcohol is delivered directly to home and left in a safe place. To say that deliveries directly to home could be collected by any member of the family exaggerates any risk. There is very little evidence of any problems with minors collecting what are thought-through purchases, made in advance by adults, that are usually a lot larger than just one bottle.

Fourthly, we think that all aspects of selling and advertising alcohol are pretty heavily regulated and controlled. It should be recognised and understood that retailers are keen on self-regulation. We therefore do not understand why there need to be additional regulatory controls, although we are happy to go into detail on that.

Finally, we think that there are significant benefits in Northern Ireland legislation being updated in line with that in England and Wales. I could tell the Committee a little bit about some of the proposals that the Home Office is looking into on the advent of technology and how it should be used to a greater extent, particularly for age verification. There is quite a lot of that already, but there is a lot more to come, and an initiative is under way in London. Thank you, Chair.

**The Chairperson (Ms P Bradley):** Thank you, Miles. I will take you back to the first of your five issues, which was to do with supermarket checkouts. Can you explain to us why we have a 75:25 split in Northern Ireland? I do not know the reason behind it. I remember hearing on a news bulletin a couple of months ago that there was a relaxation during COVID, and that seemed to work pretty well. I have not heard anything against how that worked. Can you tell the Committee why that split is in place?

**Mr Beale:** To be honest, I am unable to explain it. It is the only place in the UK where it exists. We do not see statistical evidence of different behaviour. I think that it was aimed at discouraging customers from adding alcohol to their shops, as, if they did, they would not be able to go to what would be assumed to be a shorter queue. In practice, we understand from our retailers that the 25% of tills that are not licensed, while they have to be manned, tend to be far less busy than the others. The COVID relaxation has seen a better experience for customers and has been more efficient for stores to run. We did a survey in advance of this session to see whether there had been any problems — difficulties with underage purchases or problematic drinking perhaps — as a result of the changes to that system, and we found none.

**The Chairperson (Ms P Bradley):** OK. Thank you for that. My experience in any of the supermarkets that I shop in is that there are always queues at tills where alcohol is sold. My understanding was always that, in Northern Ireland, we have a great tradition that, when you turn 16, if you are staying on at school to do your A levels, you get a job at your local supermarket and, therefore, you would be unable to work on one of those tills because you are under 18. However, I imagine that the vast majority of people who work in our supermarkets are over the age of 18, so that split does not make a lot of sense to me.

I want to ask you about loyalty schemes, as other witnesses have brought them up at Committee. You talked about the unintended consequences. I want you to be brutally honest: do you see how this can possibly work when our supermarkets, for example, are part of larger supermarket groups right across the UK and beyond? We would have to have a very different type of loyalty card here. Is that really going to work, in all honesty? We could be penalised and have no loyalty cards for anything in Northern Ireland, whether in Sainsbury's, Marks and Spencer, Tesco or wherever. Can you give an honest opinion on that?

**Mr Beale:** The honest, short answer is that, no, I do not see how it would work. Of course, if it becomes law, our retailer members will have to do something different. You are absolutely right that one of the options would be to remove all loyalty schemes; that would probably be simplest. I am not sure that that would be the outcome or that that is what they want. However, it would be significantly easier to make no changes at all.

It is worth saying that the Scottish Government looked at something similar and concluded that loyalty cards should be treated in the same way as cash — no restrictions. They did distinguish between coupons and vouchers. In general terms, with supermarket loyalty cards, you build up points, recoup the benefits and spend them on any products that you like. There is certainly no evidence that they are spent disproportionately on alcohol. It is about all the shopping that you can do at the supermarket. Of course, local community charities benefit significantly as well. It is part of the retailer's offer to the community and giving something back.

**The Chairperson (Ms P Bradley):** OK. Thank you. My last question is about the new age verification technology. Can you give us a snapshot of what that looks like?

**Mr Beale:** Sure. There is already a significant amount of technology. It is particularly relevant to online retailers; that is those that do not have a high street or other street premises, so you cannot visit a shop. They have stringent arrangements in place for age verification at point of purchase. That tends to take a bit of time for customers, but it has become quicker as the technology gets better. The new technology that I am referring to, and what the Home Office has instigated, is described as a regulatory sandbox initiative. Personally, I do not think that it sounds very attractive, but the idea is to start looking at different ways of providing age verification. I am on the board of the Proof of Age Standards Scheme, which is looking at standards for future practice.

To give the Committee an example, it may soon be possible for individuals to have quick response (QR) codes whereby, at the same time as using a smartphone to purchase whatever the product may be — in this case, alcohol — they can also use the QR code to verify their age. All of it is done technologically. That works just as well in the store as it would online. The Home Office is keen for the industry to help with that bit so that the solutions that are developed are fit for the future and not just for now.

It is difficult to legislate for an area that is moving extremely quickly, particularly if you think about the way that young people use technology and how their take-up of technology is much faster. The bottom line is that, if anything is introduced along the lines of what is proposed in the Bill and the amendments, it will be out of date incredibly quickly. It would also, of course, not be in line with England and Wales, where some of these things are being looked at.

**The Chairperson (Ms P Bradley):** Thank you for that, Miles.

**Ms Mullan:** Thank you, Miles, for your presentation. It is important for me to raise the good work undertaken by the Retail of Alcohol Standards Group (RASG) with the community alcohol partnership (CAP) in Derry, which was in place until 2013. I worked for an organisation called the Bogside and Brandywell Health Forum, and we had a project Drink Think. I know of many other groups that were involved, and great work was done at that time. You said in your paper that you would be happy to

look at community alcohol partnerships coming back here. We need to look at that and to continue that work.

I wanted to ask about the loyalty scheme, which the Chair has already touched on. You said that the Bill has fallen short in not considering the wider community and charity benefits. Miles, apart from the loyalty scheme where you get your card in the supermarket, I am not aware of the wider community benefits. Could you give us a wee bit more detail on what that looks like, what the benefits are, what groups get, which charities benefit and how it works?

**Mr Beale:** Yes. I can probably give you only limited detail because each supermarket and retailer does it differently, and it is done differently in different communities. However, there are common threads. As far as I am aware, all loyalty schemes allow supermarkets to make donations locally. They are very keen on doing it locally. Some — the Co-op, for example — have a minimum percentage amount that they provide to the local community. They are all tailored to the local community and it is the community that benefits. There is a direct relationship between the health of the business in an area and, on the other side, the charitable benefit of the business being conducted.

Our retailer members are particularly worried if this legislation goes through. I do not know whether it would go as far as, as the Chair suggested, the loyalty schemes being ended completely. However, because it is all proportionate to the amount of business done and the amount of interactivity on the loyalty scheme, you would certainly expect donating to reduce and there to be less available to the community. It does not appear to me that that has been considered in drafting these amendments.

Karen, community alcohol partnerships continue to do incredibly well in England and Wales and increasingly well in Scotland. I am also one of the directors of Community Alcohol Partnerships. I am happy to reiterate that offer. We would be very keen to see community alcohol partnerships increase in number in Northern Ireland and to help with that if we can. For the benefit of other Committee members, community alcohol partnerships are set up locally with seed corn funding from Community Alcohol Partnerships, the organisation, to tackle underage drinking and associated disbenefits to the local community. We find that they are extremely effective.

If anyone on the Committee has areas where they have particular problems with underage drinking, we would be happy to look at that. The Derry CAP was extremely successful. It was so successful that it wound up, which is a strange way of looking at success. I am happy to look at that further with any Committee member.

**Ms Mullan:** It was excellent, Miles. It formed relationships. It wound up because of its success, and those relationships and great work have continued. If there is a problem, people can pick up the phone and work together, and I know that that continues. Thank you very much for the update, Miles.

**Mr Durkan:** Thanks, Miles, for coming along today and for your written submission. I was having a wee look at it last night. Correct me if I have picked this bit from it up wrongly, but you say in your written submission that there is no evidence that alcohol advertising affects consumption levels or antisocial behaviour. To take the first point on consumption, that would beg this question: what is the point of advertising alcohol at all? Can you just clarify that? Are you saying that there is no evidence whatsoever, or that you do not dispute the evidence that advertising alcohol causes or correlates with increased sales and consumption?

**Mr Beale:** To be clear, there is no evidence that there is a link at all between advertising and harmful consumption.

**Mr Durkan:** I do not think that the word "harmful" is in the written submission.

**Mr Beale:** Sorry; that is the aim of the Bill. So, we do not see any relationship between advertising and harmful consumption.

**Mr Durkan:** OK. Thank you.

Will you say a wee bit more about how implementing additional age checks upon delivery would lead to a substantial increase in costs for suppliers? Has any research been done on the amount that you project such verifications would cost?

**Mr Beale:** That last point is the most difficult to answer. We feel that there is a misunderstanding of how much pre-purchase age verification requirements are undertaken by our retailers. It depends on the retailer's business model. Large supermarkets, for example, now train their drivers in the Challenge 25 initiative, which was set up by the Retail of Alcohol Standards Group that I am here to represent. A driver is trained in exactly the same way as a store employee to check the ID of someone who looks under 25 before they can purchase alcohol. Of course, when it is delivered to home, it has already been purchased. However, they have been trained in the same way. They are trained to ask the right questions.

It becomes more difficult where online businesses have a third party delivering for them. As previously described, they have extremely stringent pre-purchase online tests about who is purchasing the alcohol. It would be incredibly expensive for them to introduce an additional check. It is often a third party that delivers the product, so they are not trained in the same way and are not, of course, a direct employee of the company. It would therefore be extremely expensive for that type of business in particular.

Moreover, it is very unclear whether there is evidence that that is a problem at all. Typically, whoever purchases alcohol from the sorts of businesses that I have just described probably cannot purchase less than a minimum number of bottles — six or 12, if it is wine. If somebody in a household made such an order, they would likely be watching out for it. Under what circumstances would a minor be collecting an order? It could be that the adult is perhaps self-isolating, unwell or disabled. Anyway, we think that the risk of it leading to problematic drinking by a minor is incredibly low.

The cost definitely depends on the business model. If the risk is low, how would you make it even lower? It might result in someone needing to be there on the spot, which is definitely cost-prohibitive, and we would certainly say that that is completely disproportionate to the problem, given that the evidence tells us that there is no problem at all.

**Mr Durkan:** I do not underestimate the difficulty of. You do not want to overburden drivers or delivery people. It reminds me of an incident when I was canvassing. I went to a door and a young fella, who must have been 14 or 15, answered. He had a bottle of beer in one hand and a cigarette in the other. I asked him, "Are there any adults home?" and he replied, "Does it look like it?". [Laughter.] I have one final wee question, Miles. We have taken a lot of evidence from local alcohol suppliers who support licences for taprooms. Do you have a view on that?

**Mr Beale:** I am not sure that I know exactly what a taproom is in a Northern Irish context. Is this the same as the discussion about the on-premise/off-premise distinction? Is it for on-premise consumption?

**Mr Durkan:** Yes.

**Mr Beale:** Probably not, in that most of my members do not run licensed operations for on-premise activity. In general, if the on-premise activity is run appropriately by a bar, pub, club or restaurant, you would expect there to be someone with responsibility and training in place to ensure that the terms of the licence are stuck to and that people are drinking responsibly in that venue.

**Mr Durkan:** OK. That is useful. Thank you very much, Miles.

**The Chairperson (Ms P Bradley):** I can see no other members with their hand up. I will wait a wee moment to see whether anyone wants to put their hand up. No; nobody wants to ask any further questions. That is OK. All right. Miles, thank you very much for your briefing. You made some interesting points. Thank you. Oh, hold on. Sinéad has put her hand up. I will bring in Sinéad.

**Ms Ennis:** Thank you, Chair. Sorry, I could not raise my hand quickly enough.

Following on from Mark's point, I found it slightly concerning that your written evidence states:

*"No evidence has been provided showing that there is a link between alcohol advertising and increased consumption."*

I have just done a quick Google search, and there is any amount of research papers that show that there is a link, especially among young people who are exposed to alcohol advertising at a young age.

We know that there is a link between those who already suffer from an alcohol-related problem and advertising. I am concerned about that assertion in your written submission, and you certainly have not provided evidence to back up your claim. I am just a bit concerned that that is slightly misleading.

**Mr Beale:** Let me try to clear that up as best I can. We do not have any evidence of a direct link. By that I mean, can anyone provide any evidence that there is advertising that results in immoderate or excessive consumption? What we do know, very well, is that those who drink most irresponsibly are least responsive to influencing their behaviour. For example, we often have conversations as to whether price makes a difference. A very large amount of immoderate alcohol consumption is done by a very small element of the population. I do not know what the figures for Northern Ireland are in comparison to those for the UK, but the problem is changing the behaviour of a minority. That is where the evidence is very clear.

One of the problems that we have with the proposals to amend the Bill is this: what advertising are we proposing not to be allowed within 200 metres of a store? If a store is not allowed to advertise, and, for example, if you are a farm shop and you produce some of your own products, does this prevent you from advertising within 200 metres and does it prevent a competitor from advertising within 200 metres of your store? There are things that you can do, and there are plenty of examples from around the UK that you could look at if you want to do something on advertising. However, the evidence of what works is not there.

The additional element that we quite strongly point to is the self-regulation of the alcoholic drinks industry in the UK, which is used as an example by other industries. It is extremely strong, and it is particularly focused on those who are under 18. The evidence is that the way in which the alcoholic drinks industry regulates itself to prevent advertising to minors has a very strong effect.

Across the UK, we drink fully one fifth less alcohol than we did 15 years ago. That has fallen fastest — by more than 20% — amongst the under-26 age group. The evidence is strong that those under 26 are the cohort that are least affected and least likely to drink.

**The Chairperson (Ms P Bradley):** We cannot hear you, Sinéad.

**Ms Ennis:** Sorry, Chair. I have just done a quick Google search, and there is any amount of articles, some sponsored by the British Government and some that are EU-based research, that contradict your written submission. We are getting back to the issue of advertising. For at least three weeks, there has been confusion on what the Bill actually proposes on advertising. It would not be that larger supermarkets would gain a competitive advantage over smaller farm shops, for example. The Bill proposes to apply the restrictions on advertising across the board, whether for Asda or a smaller producer, in being able to advertise within — what does it say here? I cannot find it — so many metres from your store.

**Mr Beale:** 200 metres.

**Ms Ennis:** It is not that there would be any competitive advantage for anyone else, as the Bill proposes to apply that fairly across the board. We need to make sure that we understand what the Bill proposes on that.

**Mr Beale:** I agree with that last point. I am happy to look at the evidence that you suggested, and if you send it to us, I am happy to give you a view on that.

We certainly agree that the proposals are not clear on what you can and cannot do within 200 metres of your own or someone else's store, which, with the greatest respect, implies to me that it might not have been thought through properly.

The second thing is around what exactly is the definition of advertising. What about non-alcoholic and lower-alcohol products that share the same brand as an alcoholic product, or glassware or clothing rather than alcohol? Those are some of the elements of the Bill that are not clear to us, and it is quite difficult to engage on that.

As I say, considering the full ambit of restrictions and the way companies behave according to the Advertising Standards Authority (ASA), Community Alcohol Partnerships and Portman Group guidelines and the work that we do through Drinkaware, all of those self-regulatory elements do not

appear to have been taken into account in the drafting of the Bill. We would need to understand a bit more detail about what is being proposed because — I agree with you — it is not clear.

**Ms Ennis:** Fair enough. Thank you, Miles.

**The Chairperson (Ms P Bradley):** No other member has indicated that they want to come in, so, again, I say a very big thank you. Sorry, Miles, do you want to say something?

**Mr Beale:** There is one issue that nobody has raised, and the Committee might be able to help us with it. There is a proposal for an amendment related to vending machines, and we are extremely unclear what the aim is in that area. What is the definition of a vending machine? I will give you two examples. If there were a space in a supermarket where you could freely pour some alcohol to test or try, we would worry about that, but that simply does not exist. Perhaps you are thinking about a sort of drop box. For example, in supermarkets, you often have lockable cabinets where your shopping can be fixed and left for you, and you then come along with a unique code, which is changed every time, and pick up your shopping, possibly including alcohol. If that were to be considered to be within the scope of a vending machine, it would be a very bad proposal, because that is a way of improving a service, and, given the situation with COVID, that is better than queueing up with a whole load of others in front of cash tills. We would need to understand what is within the scope of a vending machine to be able to comment in more detail on that proposal.

**The Chairperson (Ms P Bradley):** Thank you for that, Miles. No one else has brought up the issue of click-and-collect-style shopping that more and more of us use in our supermarkets. We can ask the Department about that. As I say, that is the first time that has been brought up, so thank you for highlighting that issue.

Thank you again, Miles. That was a really interesting evidence session.

**Mr Beale:** Thanks very much for having me.