



## **Aberdeen City Licensing Board Consultation on Off-Sales Overprovision**

*Scottish Beer & Pub Association,*

We are grateful for the opportunity to respond to Aberdeen's consultation on an interim overprovision policy for off-sales premises.

### Background:

The Scottish Beer & Pub Association (SBPA) is the leading body representing Scotland's brewers and pub companies. It is part of the British Beer & Pub Association, which is more than a century old and was originally founded as the Brewers' Society in 1904.

British Beer & Pub Association members account for some 90 per cent of beer brewed in Britain today, and around half of the nation's pubs. These members are also diverse in their activity – from international brewers, to market-leading managed pub companies, the nation's largest tenanted pub companies and historic family brewers. This diversity of membership enables us to speak for a large and diverse part of the industry.

### Our Members in Scotland:

The brewing and pub industries support the employment of almost 60,000 people in Scotland. Some 72 per cent of these people are directly employed in the industry, and of these, 40 per cent are aged under 25. Individuals working in these jobs earn a combined £767 million per year.

The industry contributes £1.6 billion to the Scottish economy and generates £972 million in tax revenues, with annual investment of £69 million.

### Consultation Questions

1. Do you think the current provision of off-sale premises as shown as in the map is:  
**Unsure.**
  
2. If you feel there are too many do you think there are too many of:  
**N/A**
  
3. If the Licensing Board determine there is overprovision, do you think there should be any exceptions to this policy under the following licensing objectives:-
  - a) **Preventing crime & disorder.**
  - b) **Securing public safety.**
  - c) **Preventing public nuisance.**
  - d) **Protecting and improving public health.**
  - e) **Protecting children and young persons from harm.**
  
4. Do you have any other comments on off-sales overprovision?

Overprovision as a policy is a blunt instrument which does not only does little to achieve its stated aims but also has severe unintended consequences. This would have a negative impact on our members, the wider brewing industry and the city as a whole.

A blanket declaration of overprovision would introduce a presumption against the granting of any new licenses – this disincentives investment into Aberdeen and its people at a time the City is hoping to expand its international appeal as ‘gateway to the North East’.

While this policy may be aimed at supermarkets, it would also have a negative impact on the brewing industry in Aberdeen and the wider North East area. There has been a small revolution in the brewing industry over the last five years with new breweries popping up across the country, with Aberdeen being no exception.

This estimate GVA of this activity solely in the off-trade (which the policy would impact) amounts to £83m per year in Scotland and £13m in the North-East alone. Furthermore, the brewing sector in the off-trade supports over 300 jobs and contributes almost £6m in wages annually in the North-East<sup>1</sup>.

A policy of overprovision would be a barrier to new entrants into the market, an obstruction to growth for current local breweries and will ultimately see investors look to other areas of the country if this policy was introduced.

The policy would also unfairly discriminate against smaller and locally owned breweries – this policy would prevent them opening-up their own shop or brewery visitor services – but also through the impact to smaller retailers and bottle shops, which are often the best and only route to market for new and emerging brewers.

The SBPA believes that every licensing decision should be made on a case-by-case, community-by-community basis – what works for one part of Aberdeen, doesn’t mean it will work for another.

Furthermore, with the introduction of Minimum-Unit Pricing by the Scottish Government is a policy which will see significant increases to the price of many alcohol products. This public health measure seeks to address many of the same issues as the policy of overprovision. With MUP set to be introduced in May of this year, this in our belief is another reason for deciding against a policy of overprovision in the off-trade.

For further information, please contact:

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<sup>1</sup> The Local Impact of the Beer and Pub Sector in Scotland; Oxford Economics/SBPA; 2017