

Cross-Party Group on Beer and Pubs

Monday 16th December 2024

Minute

Present

MSPs

Craig Hoy MSP (Convener)
Sam Bracken – Office of Murdo Fraser MSP
Finlay Carson MSP
Sharon Dowey MSP
Maurice Golden MSP
Henry Johnston-Smith (Office of Craig Hoy MSP)
Liam Kerr MSP
Eloise Richmond – Office of Pam Duncan-Glancy MSP
Graham Simpson MSP

Invited guests

Jeremy Scorer (HIT Training)
Robert Pearce (HIT Training)

Non-MSP Group Members

Andrew Lawrence (Scottish Beer and Pub Association/Molson Coors)
Stephen Montgomery (Scottish Hospitality Group)
Colin Smith (Scottish Wholesale Association)
Anne Toms (Budweiser Brewing Group)
Luke Tremiatt (Greene King)
Colin Wilkinson (Scottish Licensed Trade Association)
Tori Wood

Secretariat:

Rita King (All Party Parliamentary Beer Group)
Katie Mackie (Office of Craig Hoy MSP)
Barry Watts (SIBA)

Apologies

Paul Sweeney MSP
Michael Marra MSP

Jon Dale (Punch Pubs)
Paul Edgeworth (CAMRA – Secretariat)
George Kyle (C&C Group)

Agenda item 1

Scottish CPG on Beer and Pubs Inquiry – *What Does ‘Brand Scotland’ Mean for the Scottish Beer and Pub Sector?*

The Convenor reported that the CPG had continued to be very active this year and had recently held its annual Pub Quiz which had been very well attended. He thanked the Secretariat for their work in organising the event.

The main focus of the CPG over recent months had been its Inquiry into *What Does ‘Brand Scotland’ Mean for the Scottish Beer and Pub Sector*. The final report had been launched in the Scottish Parliament on 25th September. The Convenor had referenced the findings of the Report in recent debates and there was an opportunity for the meeting to consider next steps. There had been some recognition from the Scottish Government on the challenges facing the beer and pub sector following the Budget on 30th October.

It was agreed that a meeting with a Minister(s) to discuss the findings of the Report would be useful. The Convenor offered to invited the Minister for Business, Richard Lockhead MSP, to the AGM in January.

There followed a discussion on the way forward on the return of proposals to restrict alcohol marketing and promotion. It was agreed that it would be helpful to understand what the timeline was for any additional consultation and what form this might take.

Agenda item 2

Presentation on Skills and Training in the Beer and Pub Sector

The Convenor welcomed Jeremy Scorer and Richard Pearce from HIT Training to provide an overview on the current position on skills and training in the Beer and Pub Sector. The CPG Report had highlighted that 42% of Scottish people had worked in a pub at some point in their lives, ranging from holiday or temporary jobs to apprenticeships to regular employment. The role that the industry plays in ensuring that young people working in the sector gain foundational, transferable skills that last a lifetime, is significant.

HIT Training are specialists in hospitality and brewing training. They deliver the Level 4 Apprenticeship Programme in England in partnership with the University of Nottingham, and since 2016 they have delivered Apprenticeship Standards across a range of hospitality disciplines in England, culminating in an end point assessment for Intermediate Apprenticeships and Higher Apprenticeships (Degrees). In Scotland,

there are Apprenticeship Frameworks, ranging from Foundation level in schools, Modern Apprenticeships in the workplace, and Graduate Apprenticeships. It was difficult to see why the occupational standards for any job role should differ; explaining these differences to employers currently takes up a great deal of time.

Another challenge to delivering a consistent approach across Scotland, England and Wales, is the differences between the nations in how apprenticeships are funded. In terms of delivery in Scotland, HIT Training works with ITC as its delivery partner, so does not provide the training directly. Apprenticeship funding has been under discussion since the General Election in July, including the use of the Apprenticeship Levy. In England, the Levy has to be used for apprenticeships. In Scotland, there is other training and employability funding available as well. There was a view that the Levy was not being utilised as efficiently as it could be, and it had been described as a tax on jobs. In England, Levy contribution was mandated against apprenticeship delivery. Any surplus that isn't spent goes back to the Treasury. For large companies, it is very difficult if not impossible for them to spend their Levy – there aren't enough apprentices. It would be helpful for that surplus to be re-invested, for example, in Scottish sites.

Apprenticeships are a great solution with measurable impacts for individuals and businesses. The bureaucracy of the system and the differing content of programmes, can put employers off investing in them, not just in brewing and hospitality but across retail too and other sectors. The lack of a consistency as a result of differences between nations leads to frustration that a standard approach to training delivery in the work-based sector is not currently possible. This is a particular issue for large, national employers, who have to accept differences in training delivery across borders and explain the reasons for this to employees. It can present significant business challenges and large operators want to deliver the same training programme to their teams across the UK. The only way to achieve this is to develop a bespoke commercial training package, the cost of which has to be met by the company.

It was agreed that the CPG could facilitate further discussion on the issues highlighted. The Convenor thanked HIT Training for their very insightful and useful presentation.

Agenda item 3

Scottish Budget

The Convenor confirmed that the CPG continued to call for 100% Business Rates Relief for pubs and wider hospitality in Scotland. He had met with the Minister for Public Finance, Ivan McKee, and the Cabinet Secretary for Finance and Local Government, Shona Robison, to discuss this. He considered that there was the

potential to perhaps extend the Remote Islands Relief to include rural/suburban businesses.

The meeting discussed the fact that licensed hospitality was in every town and city centre as well as in suburban and rural areas, contributing positively to the local economy and providing local jobs – the loss of licensed venues impacted negatively on local communities. There was concern that, as highlighted in the CPG Report, companies were simply choosing not to invest in Scotland at the present time. In terms of business rates, it was noted that pubs and other hospitality operators did not need to be particularly large to exceed the £51,000 threshold. The proportion of licensed venues paying business rates was likely to be higher than hospitality as a whole.

Agenda item 4

Any Other Business

There was no other business.

Agenda item 5

Date of Next Meeting

The Annual General Meeting of the Scottish CPG on Beer and Pubs would take place on Friday 24th January at 10.00am via Teams.