

Licensing of Knife Dealers

October 2008

Introduction

The Federation of Small Businesses is Scotland's largest direct-member business organisation, representing around 20,000 members. The FSB campaigns for an economic and social environment which allows small businesses to prosper.

Our membership is drawn from small businesses across all sectors. A number of our members involved in retail of heritage/traditional goods, to country pursuits will be affected by these proposals.

FSB Scotland accepts the need for tough action on knife crime in Scotland and we absolutely condemn the actions of some irresponsible retailers. We understand that policy makers want to take every possible action to reduce the terrible impact knife crime has on innocent victims across Scotland but we do not believe that this scheme is likely to have the hoped-for impact.

We recognise that the Scottish Parliament has opted for a knife dealer's licensing scheme however we are concerned that a policy decision has been taken without necessarily considering the practicalities of implementing such a scheme. With so many crimes committed by 'domestic' knives and those who commit such crimes unlikely to provide legitimate names and addresses (let alone purchase such knives themselves), we remain unconvinced that a licensing scheme for non-domestic knives will have any real impact on the incidence of knife crime, or the acquisition of knives by those who intend to use the knives for criminal purposes. Overall we can only conclude that these proposals, while targeted at a minority, will in fact unfairly affect the majority of legitimate, responsible small businesses who sell knives for acceptable, commercial purposes.

We have a number of concerns in relation to these proposals and would like to discuss these further with the Scottish Government prior to finalisation and implementation of these proposals. In particular, we would like to extend an invitation to the Scottish Government to visit businesses likely to be affected by the scheme.

Responding to Concerns

In reviewing the analysis of responses to the 2005 consultation it seems that many of the queries raised at that time have not been addressed in bringing forward these proposals. Many of the same queries remain – indeed we will refer to some of these concerns in our response.

Some additional background or policy information demonstrating that these concerns have been considered would have helped this consultation. As it is,

with the exception of ongoing consideration in relation to swords and exemptions for fencing, there is little in the consultation to suggest that any of the practical queries raised three years ago have been dealt with.

RIA

We can see no reference to a Regulatory Impact Assessment (RIA) in bringing forward these draft regulations. Clearly an RIA would have been completed to accompany the Act, however it would be helpful to update the RIA to reflect the development of more detailed proposals. Again, it is extremely unhelpful to bring forward proposals without any reference to the likely cost (including time) implications for business and local authorities, as well as at least a rough indication of how many businesses will be affected and the likely workload for councils across Scotland.

Questions

Timetable

As outlined above we are not convinced of the merits of some of the proposals in this scheme and given the current financial climate we do not believe that it is the right time to be introducing new financial and bureaucratic burdens on independent retailers. We believe that the Scottish Government should delay the introduction of this scheme and reconsider its introduction when the financial situation improves. At the very least introducing this by September 2009 seems too soon (is it really likely local authorities will be in a position to receive applications in March?). The timetable provided suggests only a three month window in which to receive applications in time for the scheme to begin in September 2009. Given the need to reach a range of businesses and publicise the scheme and then encourage them to apply, this seems unrealistic.

Licence Conditions

We accept that knives should not be displayed in windows of premises however we believe that further definition regarding 'not being visible from public entrance' may be helpful.

We do not accept that there is a case for local authorities to be given the ability to impose a range of additional requirements. As a minimum the Scottish Government should introduce strict guidance in this area e.g. the circumstances in which councils might ask for lockable cabinets for certain, prescribed articles, likewise for CCTV. Furthermore, is there evidence regarding break-ins to these shops and the risk of stolen goods entering the market? If so, then the Scottish Government should make a case for a certain standard of locks and shutters. If not, then we cannot see why this would be offered to local authorities as another potential discretionary licensing condition. In general terms, if these conditions are deemed desirable, why not make these mandatory conditions that are common across the country?

The mandatory condition section refers to the need to establish identity and proof of age but also mentions the address of the customer. This is perhaps the most difficult aspect of ID verification.

It seems reasonable to assume that not all customers buying knives will plan their purchase in advance, particularly tourists. Examples would include those on holiday who decide to buy equipment for fishing, or those buying highland

dress and heritage items. While passports may be more easily obtained, the likelihood of these customers having bank statements or utility bills with them seems unlikely. It surely cannot be the aim of these proposals to prevent these kind of legitimate sales, therefore a more practical option is required and other forms of identification will have to be considered. A scheme which is completely unworkable is in no one's interest.

Record Keeping

We note the need to photocopy identity documentation. Considering the practicalities of this we would suggest that while banks may routinely have office back rooms and photocopiers, this is unlikely to be the case for many small shops. The practicality of this and the cost does not seem to be mentioned. There really must be more thought about the practicality of this aspect prior to implementation.

We would also like to see more guidance and consideration of the data protection issues that arise for retailers holding this kind of personal data on their premises. Any costs associated with this would have to be built into the RIA.

Fees

We would expect the Scottish Government to set out strict guidance regarding the basis for fees – these should be on a strict cost-recovery basis only.

Application Forms

In light of the Scottish Government's commitment to better regulation, we are disappointed at the suggested approach. There seems to be no recognition of best practice and the need to reduce bureaucracy on small businesses. Again, at the very least we would expect the Scottish Government to take the lead and issue guidance to local authorities regarding application forms. Are there opportunities to streamline the information with that already gathered by the local authority? Is online application an option, indeed is it possible to have one online register for Scotland? We would like to see further work by the Scottish Government to minimise any bureaucracy associated with the scheme.

For further information on any of the points raised in this submission, please contact Susan Love, Policy Manager, on susan.love@fsb.org or 0141 221 0775.