



21 October 2005

Ms Charlotte Littleboy
Committee Clerk
Select Committee on the Office of the Deputy Prime Minister
House of Commons
London SW1A 0AA

Dear Ms Littleboy,

Thank you for this opportunity to contribute to the committee's inquiry into the re-licensing process under Licensing Act 2003.

The Association of Licensed Multiple Retailers (*ALMR*) is the trade body of the licensed retail sector – principally pub, bar, club and restaurant operators. Currently, just under 100 companies are in membership, between them operating over 30,000 outlets – around half the UK pub and bar estate. Members include major pub companies such as Punch and Enterprise – whose pubs are operated as individual small businesses – national chains of managed operators such as Yates's, Regent Inns and Laurel and the retail estate of regional brewers. However, the bulk of our membership is derived from small independent companies operating 50 outlets or less under their own branding.

You will understand the short timeframe available for this consultation has limited the extent to which we are able to fully survey our members. Therefore this response is limited in depth and scope. However, I submit a brief synopsis of the information we currently have available and my organisation would be more than happy to appear before the Committee in future in order to expand on the key points contained within our submission.

My organisation has been involved closely with Government in the drafting and subsequent implementation of the 2003 Act. We have made extensive efforts to ensure that the pub sector was prepared fully for the introduction of the Act and in fact 100% of *ALMR* members submitted licence applications before the August 6th deadline. However, there were a range of failings in the introduction of the Act. I highlight the main areas of concern below in addition to a number of suggested reforms to ease the flow of future applications through the licensing process.

- the short timescale between regulations being published and commencement of the transition period led, in our opinion, to a lack of clear understanding of the application of law by some licensing authorities and their legal officers.
- we believe that not all authorities have appreciated the **quasi-judicial nature of their new functions**. As such they are applying locally developed policies which are out of step with national guidelines.
- the absence of a **slip rule**, which would otherwise allow local authorities to correct minor errors in applications rather than the wholesale rejection of applications thus incurring additional costs in time and money for applicants and local authorities.



- over regulation on the **floorplans** required to be submitted to licensing authorities was a cause of contention nationwide. Many applicants which had plans available found these rejected for being of the wrong scale. This led to massive costs in having new plans drawn up and, as the deadline of August 6th approached, left many concerned that applications thus rejected would not be resubmitted in time. This issue hit small operators disproportionately.
- making the date on which **annual fees** are due one year on from the granting of an application, thus reducing the incentive for early applications and generally leading to the majority of applications falling near to the August 6th deadline.
- limited clear national guidelines on the scope of **advertising** required by all applicants in the local press. A number of organisations have found that adverts deemed suitable by one local authority are not deemed so by a neighbouring one. In some cases this has led to additional expense as adverts already drafted and submitted to the local press are rejected by the relevant licensing authority. We have also found that in some areas the capacity of the local press to carry adverts is exceeded by demand from local licensees. In these cases applicants are unable to meet their statutory duty to advertise through no fault of their own.

We note that some local authorities have chosen to raise the issue of applications with all residents within a local radius of applications for variations of an existing licence. Whilst we welcome this effort to include residents by local authorities but suggest that in such cases licensees and licensing authorities might come to an arrangement over the necessity of taking out adverts in the local press.

- anecdotal evidence that some local authorities are initiating **objections from responsible authorities** in the absence of residential objections in order to force a full hearing before a licensing committee
- lack of guidance on completing **application forms** lead to a number of various means by which forms might be completed and as such caused confusion. Authorities interpreted applications in different ways and therefore chains operating across local authority boundaries often found no standard company format might be adopted. The complexity, length and requirement to submit forms to eight separate authorities was, in our opinion, partially responsible for a number of smaller operators delaying
- asking for **variation and conversion as a dual system** overburdened all parties, who were trying to second-guess others in the industry and therefore felt pressure to apply. Conversions could have had 6 months to go through and then variations could have been applied for thereafter.
- licensing authorities should adopt a **mediation function** in advance of hearing future applications and objections before a full licensing committee. In addition to preserving local harmony such a policy will enable licensing authorities to minimise the cost burden on the local community. In fact residents' reps were generally not sent through to applicants until a Notice of Hearing was sent. This only gave 10 days to try to contact residents & have an opportunity to negotiate.
- the review of the Act must include a review of the manner in which disparate authorities are interpreting the Section 182 Guidance.



The points above provide, by necessity, only a brief view of some of the key problems and potential solutions. We will be happy to expand on this points at a later date should the committee wish.

Yours sincerely,

Nick Bish
Chief Executive