

Licensing

The hospitality industry is heavily regulated. Businesses including hotels, restaurants, pubs and clubs need licences to operate and there is a strict process to follow and maintain. If you're starting out then you need to get to grips with this quickly, and make sure that systems are in place to meet the terms of your licences from day to day.

Here are our top tips for getting this right.



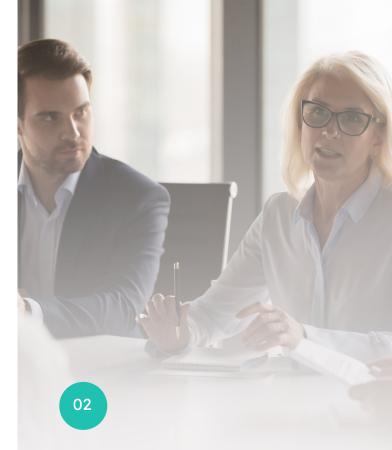


Does your business need a licence?

Get to the heart of how your business will run. Will you sell alcohol and will you permit entry to people under the age of 18? Will you play live or background music? Will you need CCTV? Fruit machines? Will you need to use the pavement outside the premises for signage, seating or for smoking?

These are just some of the things for which licences are needed. Some are more obvious than others and if you are new to the hospitality trade, you might be surprised by the number of permissions you will need. So sit down and work through exactly what it is your business will offer and the people, services and facilities involved. Then speak to someone (like one of our licensing specialists) about getting everything in place before you start trading.

"Speak to someone before you start trading."



Should you apply for a Premises Licence?

This is your overarching licence. It enables you to run your business from a particular building or space (indoor or outdoor), and to engage in "licensable" activities such as selling alcohol and playing music. A premises licence can be held in a company's name or an individual's name; perhaps yours as the business owner, or maybe your appointed manager. Whoever you choose must accept their responsibility to make sure that the business operates within the confines of its licences.



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Will I need to appoint a Designated Premises Supervisor (DPS)?

Where alcohol is on sale then your licence must name the "designated premises supervisor", so you'll need to think about who that person should be. It is an offence to sell alcohol at premises without there being a DPS.

Make sure that whoever you appoint as your DPS has the skills to deal professionally with any issues (they will be the point of contact for authorities including the police) and that they have a responsible attitude. They must agree to become the DPS; the premises licence includes a consent form for them to complete. They'll also need a personal licence.



How do I apply for a licence?

There is a fair bit of paperwork to get in order before you will be ready to submit your application to the licensing authority. There's also a fee. The fee is based on the rateable value of the property. The application form is very detailed and includes a requirement to provide the hours the premises wish to open as well as the hours they wish to sell alcohol/play music, late night opening, steps to be taken to promote the four licensing objectives (prevention of crime and disorder, public safety, prevention of public nuisance, protection of children from harm), detailed plans of the premises and confirmation that the appropriate advertisements have been placed in newspapers.

"It is an offence to sell alcohol without there being a DPS."

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Can the licensing authority refuse the application or impose restrictions on your licence?

Even where your licence application has been submitted properly, the licensing authority will consider the full circumstances very carefully and will listen to any objections to your application. It may decide to grant all or part of the licence you need and may specify restrictions on what you can and cannot do. For example, your alcohol-serving times may be restricted, or you may only be allowed to play music between certain times. You may be able to apply to have restrictions lifted and we can help with that process.



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Do I need to display a copy of my Premises Licence?

The law says that you must display a summary of your premises licence and it should be available to a member of the public who asks to see it. If you don't do this, and do not have a good excuse, you could be fined up to £500.

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Will there be times when I will need to amend my licence?

One of the most important things you need to recognise is just how important it is to keep on top of your licence terms. If your DPS leaves, for example, then you need to take action to avoid falling foul of the law. Continuing to sell alcohol when there is no DPS in the business is a criminal offence; the premises licence-holder could be fined up to $\pounds 20,000$ and faces up to six months in prison.

It's serious. So make sure you understand the licences that attach to individuals in your business, and what happens if those people decide to move on. If your DPS says they are leaving, you should replace them straight away, or stop selling alcohol until a new DPS has been appointed.



Do my staff need to understand the terms of the licences?

Everyone within your business – and not just the licence-holders – must be responsible at work. Even your most junior bar staff could get your business into trouble by serving alcohol to people they shouldn't. A spot-check by Trading Standards could put your licence at risk, so invest in training for your staff.





Are there risks when buying a business that already holds licences?

As part of the pre-purchase process, take a good look at the licences your seller has in place. You may inherit offences (for example where the licence hasn't been updated to reflect changes to the business or premises) and so check the detail, scope and terms of existing licences very carefully.

Check too, if any prosecutions or actions (eg noise abatement notices) are active or pending in relation to the licences. The outcomes will affect your operation. You should also check that any existing licence holders have not died or become insolvent. Either of those events would bring a licence to an end, and you would need to apply within a very strict timescale for that licence to be reinstated. 10

Do I need to keep my licences under review?

It's no good resting on your laurels. Changes to your business can affect the licences you have secured, in some circumstances rendering them invalid and leaving you facing penalties.

And the devil is often in the detail. Check regularly that the names and addresses on your premises licence remain correct. Check also that your business is operating within the terms of your licences; for example, are your opening or closing hours the same? Are you trading as you always have been, or have you introduced new licensable activities such as live music? A spot-check by the licensing authority would cover these areas, amongst others, and so it's well worth making sure that your stall is always in order.

"Speak to someone before you start trading." Talk to one of our advisors to find out more:

02380 218000

commercial@ericrobinson.co.uk

ericrobinson.co.uk







Contact Us

Southampton (Bitterne) 359 Bitterne Road Southampton SO18 1DN 02380 425000

Chandlers Ford 6-8 Brownhill Road Chandlers Ford Eastleigh SO53 2EA 02380 254676

Lymington Heathcote House 37 St Thomas Street Lymington SO41 9NE 01590 647670 Southampton (Hedge End)

Vanbrugh House Grange Drive, Hedge End Southampton SO30 2AF 02380 226891

Winchester Regency House

2/4 Southgate Street Winchester SO23 9EF 01962 790553

Richmond (London) 4 The Square Richmond Surrey TW9 1DZ 02031 467300