Westminster licensing together with other local authorities

Received (in revised form): 2 October 2007

Trevor Shelley

is a Partner at Shelley Sandzer, one of the UK's leading property agencies dealing with restaurants, bars, night clubs, health clubs and other leisure property.

Abstract

Recent reports suggest that the process of granting new licenses and the costs involved may be based on the venues rateable value rather than the venues capacity. This article briefly discusses this possible change in rules.

Keywords:

licensing, London, supply and demand

Journal of Retail and Leisure Property (2007) **6**, 295–296.

doi:10.1057/palgrave.rlp.5100073

Westminster City Council have raised a long-standing issue of the number of licenses for premises in Soho in Covent Garden and Knightsbridge.

While I am being specific about this area, we at Shelley Sandzer have found that this same consideration applies to other local authorities throughout the United Kingdom.

One of the counsellors has stated that due to the large number of licenses in the area they are at 'saturation point'. The Council claims there are too many licences in parts of central London and it is going to 'properly manage' the process of granting new licenses by basing the cost of its license on the venues rateable value, rather than the venues capacity.

In their words, 'the money is good, so do not expect it to be easy'. At Shelley Sandzer, we consider these claims to be ludicrous. I do not understand why these Councils feel that clubs should be prohibited from making 'easy money'. Licenses should be judged by supply and demand. If the demand is there why not create the supply?

The Council is far removed from everyday knowledge of supply and demand and is totally unaware of what the actual demand is.

We have never once been asked by Westminster Council or for that matter any other Councils about demand, how many enquiries there are, and how many are being satisfied.

If we had been asked then clearly they would be aware of the significant demand that is totally outstripping supply and this applies throughout the United Kingdom in most places. The Council could alternatively gain revenue by adding further taxes on late licenses. We have raised this issue many times, since it would help fund and police any problems as well as stimulate business.

Trevor Shelley
Shelley Sandzer
7-10 Chandos Street
London
W1G 9DQ
UK
Tel: +44 (0) 20 7580 3366
Fax: +44 (0) 20 7580 3399
E-mail: tshelley@shelleysandzer.co.uk

In fact, the reduction in the number of late-night licenses has created a massive premium value for this type of premises and, often, the only parties that can afford these premises are not necessarily the parties that local authorities would like to see running these operations.

Surely, the Council would like to have some input in the type of operation that is being run and the style as this in itself would help the police to make sure that good bonafide operations were being run.

This is not to say that the Council is not policing the units properly, more that the variety is not being achieved. We need to look at other capital cities, where nightclubs do work without significant problems, close to residential accommodation and bringing revenue for local authorities and operators.

I read with interest recently the many numbers of new restaurants that have opened in the capital, and quite frankly, this is misrepresenting the situation as having researched this it would appear that many of these operations are just a change of style of offer, even in some instances within the same ownership but some others have changed hands by way of an assignment; however, in terms of new licences that had been granted in the past year in Westminster alone, I understand this to be only six brand new licences, not being attached to any other existing premises. In light of the enormous demand this is ridiculous.