

FROM: **LICENSING COMMITTEE**  
14 OCTOBER 2020

TO: **PLANNING & TRANSPORTATION COMMITTEE**  
URGENT

### **COVID-19 UPDATE**

The Committee received an oral update from the Director of Markets and Consumer Protection providing Members with an update on the current situation as a result of the Covid-19 pandemic.

#### **Key legislative changes:**

Members were advised that two key legislative changes had been brought in since the last meeting; the Health Protection (Coronavirus, Restrictions) (No. 2) (England) Regulations 2020 was amended on 24 September and the 12 October saw the introduction of the three tiers of system of local Covid Alert Levels in England set at medium, high, and very high.

Alongside this, the Chancellor also confirmed that the Government would expand its economic support to assist those affected by the decisions made in the upper tier. This included extending the Job Support Scheme to cover two-thirds of the wages of those in any business that is required to close. For tier 1 and 2 businesses, they would face restrictions but no financial support.

London was classed in the medium tier 1 and would continue to be subject to national restrictions. It was acknowledged, however, that this would likely change within the next week.

The following key factors were highlighted as affecting the hospitality sector:

- Face coverings, staff and customer
- Rule of 6
- Seated service and consumption, no vertical drinking
- 22:00 curfew
- Mandatory spacing between seats and tables
- Test and trace

A joint City of London Police and City of London Corporation short summary of the requirements of the new regulations was circulated to all businesses and published on the COL website which was circulated to Members. For consistency, both have adopted the Police's 4E's approach when dealing with businesses (Engage, Explain, Educate, Enforcement) with Enforcement being the last resort. Powers have been enhanced and are available should they be required with escalating levels of fines and direction orders amongst the powers.

As a result of the additional restrictions, Officers confirmed there had been an uplift in pavement licence applications (40 to date) and complaints for all settings (not just hospitality) in relation to compliance with the new Covid regulations. Officers viewed compliance with the regulations in City premises to be good and any non-compliance was generally due to a lack of understanding rather than deliberate actions.

Members were advised that as a result of the challenges to the Government's restrictions on the hospitality sector, a judicial review had been launched. This was primarily in relation to the 22:00 curfew and queried what evidence supported this restriction.

### **Key indicators stats:**

In response to Member's concerns regarding the short and long-term effects on the City's licensed trade, Officers confirmed all available data painted a very bleak picture for the trade.

### **Locally**

To date, 13 Premises Licences have been surrendered in the City since 1 April 2020, five of which occurred in the first week of October. For the same period, there have been seven new applications.

Members were informed that only 33% of food and beverage and licensed premises regulated by the City Corporation across the Square Mile were confirmed by Officers to be open.

On 2 October, the Cheapside Business Alliance area had 208 out of 288 shops open equating to 72%, compared to 66% at the start of September. In the Aldgate BID, 131 out of 160 shops, cafes, restaurants and pubs were open equating to 81%, compared to 72% at the start of September. Of the 109 closed premises across the BIDs, 12 have now permanently vacated their units equating to 7% of the total number of closed premises.

### **Nationally**

The UKH, BBPA & BII member survey which closed 16 September identified the following:

- More staff cuts were expected, with one in eight hospitality staff having been already made redundant and a further 8% likely to lose their jobs.
- Given current levels of business support, almost half of operators predicted that their businesses would fail by mid-2021, with 23% suggesting they would do so by the turn of the year.
- As such, operators were looking to simply survive as a priority and were trying to increase productivity and play a wider role in the community.

### **Trade redundancy announcements:**

- Fullers to make 1 in 10 of staff redundant. The chain employs around 5,000 staff meaning at least 500 people are likely to be let go.
- JD Wetherspoon will cut up to 130 head office jobs. The company announced that 110 to 130 head office positions were at risk of redundancy.
- Whitbread are letting 6,000 people go.
- Greene King to close 25 sites permanently with 800 redundancies.

### **What would help:**

Members and Officers saw Government encouraging office workers to stay at home, the 22:00 curfew, social distancing/reduced capacities and the loss of vertical drinking as the key influencing factors for decline in the City. It was acknowledged that the Licensing Committee was limited in terms of how it could assist; Officers provided the following actions and suggestions it could take to help:

- The Committee could support the national industry lobby where possible and appropriate, e.g. business rates holiday to be extended throughout the year 2021/22, rent debt proposal, VAT cut extension and critical regular review of Covid restrictions imposed at either a national or local level.

- Locally the City Corporation can amend the al-fresco policy to allow external heaters and reduce the 3.2m pavement licence requirement to 2.2 where pedestrian flows allow.
- It was noted that there was currently no flexibility in legislation to suspend or rebate the Late Night Levy. Officers confirmed the City Corporation has joined the GLA, LGA, London Councils and other LNL authorities and met with the Home Office yesterday to consider options which may include a legislative change to allow for suspension of the levy.

Members made the following comments:

- The Chairman reiterated how crucial it was that the Planning & Transportation Committee decreased the pavement width policy for tables and chairs, allowed for outdoor heaters and pursued using empty / little used street space for tables and chairs as this would be pivotal to hospitality premises in the City surviving.
- A Member voiced her worry and sadness for struggling City businesses that had tried to comply with the imposed restrictions throughout the pandemic making many changes at a significant cost. The Member saw the imminent London move to tier 2 as catastrophic for the hospitality sector as it would be incredibly difficult for businesses to comply with patrons unable to mix with people outside of their households.
- In response to concern for businesses being forced to pay for outside tables and chairs only for the policy to change, it was confirmed that no premises was being forced to make this change and Officers were trying to assist any premises that needed outside space now that vertical drinking was banned.
- Members fully supported the move to amend the al-fresco policy and requested that a resolution be sent to the Planning & Transportation Committee to show the Committee's support for the recommended changes.
- A Member noted that the current legislation meant that the adjacent area to a premises was now classed as on-sales and questioned what would stop a patron purchasing a take away drink and consuming it further away. The City Solicitor confirmed that this could happen if the patron was drinking in an area not habitually used for consumption. However, if this spot then became a habitual spot for patrons or more than six people were there, this would be in breach of the regulations.
- It was acknowledged that vertical drinking had always been a big feature in the City and banning this had it the hospitality industry hard. Members felt that this made it even more important for City provided areas for consumption of food and drinks in a safe and socially distanced space that could be monitored by licensed premises and the Police if needed.
- Officers confirmed that legal advice was being sought and engagement with the Planning & Transportation Committee was ongoing looking a pocket hubs and seating in the City, e.g. Middlesex Street. The Committee was also looking at all tables and chairs licence refusals to find alternative areas for outside seating.
- Officers agreed to follow up with the Planning & Transportation Committee and review areas via a health check now that new restrictions had been brought in.

- It was noted that partial road closures had been introduced in Soho and that this could be adopted in the City.

**RESOLVED** – That a resolution be made to the Planning & Transportation Committee demonstrating the Licensing Committee's support to reduce the pavement width policy for tables and chairs to support City businesses.