

The Community and Ancillary Sellers Notice

What is the Community and Ancillary Sellers Notice?

The Community and Ancillary Sellers Notice (CAN) will be a new, light touch, low cost authorisation under the Licensing Act 2003 which will benefit particular small businesses and community groups who wish to sell¹ or provide small amounts of alcohol in limited circumstances as an ancillary part of a wider service or an organised event, without any other form of licensing authorisation.

What is the policy's aim?

The CAN will solve a key problem for particular businesses (the Government intends to limit these to bed and breakfasts and similar, small overnight accommodation providers at the outset) who wish to sell small amounts of alcohol as part of the wider service they already provide and for community groups (such as voluntary groups and charities) who hold occasional events at which they would like to sell limited amounts of alcohol which is ancillary to the main event. These groups complain that premises licences (which range in cost from £100 to £1900 and accompanying personal licence application fees of around £75) or multiple temporary event notices (currently £21 each) can be costly and burdensome and disproportionate in view of the low risk, low volume nature of the sales they wish to make. The CAN offers a lighter touch, cheaper alternative (lasting three years).

Who will be able to use a CAN?

Community organisations such as charities and 'non-profit' voluntary groups carrying out activities in the local area with a named CAN user who will act on behalf of the community group and 'ancillary sellers' of alcohol such as B&Bs and other small accommodation providers. Details on exactly who will be able to benefit from a CAN will be set out in regulations.

What will a CAN allow a user to do?

For a relatively low, one-off fee a CAN user will be able to sell a limited amount alcohol (to be set out in regulations) over the course of three years between the hours of 7am and 11pm.

- Community group users will be able to name up to three premises at which they intend to provide alcohol at organised events, with a maximum of 300 attendees. The alcohol sold at the event must also be ancillary to the main purpose of the event (such as a glass of wine at a play or with a lunch).
- Ancillary business sellers will name a single premises at which they will be making sales of alcohol. The sales must be ancillary to the goods or main service being provided and the alcohol must be consumed on the premises unless regulations provide otherwise. An example is a drink for paying guests at a B&B, although alcohol limits and circumstances of use for different groups will be set out in regulations.

¹ For example, a "complimentary" alcoholic drink as a part of a contract for the provision of a service or alcohol "given" as part of ticket price or in exchange for a donation constitutes a sale of alcohol in law.

How will someone 'apply' for a CAN?

The CAN user will send a simple form to the local licensing authority copying in the police and environmental health authority (EHA), as with temporary event notices. The police and EHA are copied automatically if notice is given using an official electronic facility, which must be available. The user will state whether it is a community group or ancillary seller, that they understand the legal parameters and pay the prescribed fee. They will also name either the single premises or set of three premises at which alcohol will be sold depending on what type of user they are.

Alcohol can be harmful. Why are you doing this?

The Government is committed to tackling alcohol harms and irresponsible drinking and has a programme of work to do this (see links below). The CAN is aimed at benefitting low risk, responsible drinkers, whilst freeing up local authorities and the police to tackle alcohol-related crime and disorder and other alcohol-related harms.

What safeguards are there?

Strict parameters including on how much alcohol can be sold, by whom and in what circumstances are designed to restrict both businesses and customers and prevent loopholes. Other safeguards such as rights of entry to investigate problems and criminal liability of CAN users for licensing offences will also apply as they do with other alcohol authorisations. The police and EHA will be able to object to a CAN taking effect at the outset on grounds that one or more of the licensing objectives would be undermined. Licensing authorities will also have discretion to reject CANs. Where problems arise after a CAN has taken effect the police and EHA will be able to seek revocation through a light touch process with no hearing or appeal process involved. Once a user has had a CAN revoked that user (or an associate) would not be able to give notice again for a period of 12 months.

What details are still to be decided?

Exact limits on the amount of alcohol that can be served and any exceptions; eligible business types (including the maximum size); the definition of qualifying community groups; the frequency of permitted events and details on the fee are all matters to be decided in secondary legislation following the further consultation in November-December 2014. The aim is to keep costs as low as possible (and certainly below that of a premises licence fee).

- The CAN is part of the Deregulation Bill being considered by Parliament. Progress of the measure and the Bill can be viewed on the Parliament site at: <http://services.parliament.uk/bills/2014-15/deregulation.html>.
- The Minister for Crime Prevention introduced the CAN on 14 May 2014. Link to the debate in the House of Commons: <http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140514/debtext/140514-0002.htm>.
- Further detail on the Government's thinking and estimated effects of the CAN is set out in the published impact assessment on the gov.uk website: <https://www.gov.uk/government/consultations/alcohol-strategy-consultation>.
- The Government's Alcohol Strategy and response to its consultation are available at: <https://www.gov.uk/search?q=alcohol+strategy&tab=government-results>