

3.10 Shadow Premises Licences

3.10.1 A “shadow licence” is a simple way of describing a licence which has been obtained by one party in respect of premises to which another licence has already been granted to someone else. The usual reason for this would be to protect the landlord in case the tenant surrenders the licence without giving the landlord any notice or if review proceedings are brought against the licence and the licence is revoked and the landlord has no knowledge of this. In such a scenario there is a primary or live licence operated usually by a tenant and the ‘shadow licence’ is an additional licence often by the landlord which sits behind the primary licence.

3.10.2 The word Shadow Licence is used in practice, but has no legal definition. It is simply another licence on exactly the same terms as the first licence, normally granted to a landlord, whose sole purpose is to provide the landlord with the comfort and protection of having a licence in its own name. If the original operating licence then lapses or is surrendered, the landlord is able to use the Shadow Licence to replace it and market the premises as having the benefit of a licence of the same quality.

3.10.3 The Authority recognises that there is no restriction in the Licensing Act 2003 for there to be more than one licence to be in effect at any one time at the same premises. The Licensing Authority has concerns however that the holding of additional licences has the potential to undermine the decisions made as a result of determining applications to review a premises licence whereby if one licence was modified, suspended or revoked the premises could effectively continue to operate under the second licence.

3.10.4 Similarly Responsible Authorities, including the Police, Trading Standards and the Licensing Team, have expressed concerns regarding the enforcement of the terms and conditions of the premises licences if it is unclear under the authorisation of which premises licence the licensable activities are taking place and who is the relevant premises licence holder and DPS.

3.10.5 In order to promote the licensing objectives and provide clarity as to which premises licence is being used to provide licensable activities conditions can be added to the an additional premises licence application, these may include:

- The Licensing Authority and Police are informed at least 14 days prior to the provision of licensable activities under this licence.
- When this licence is used to provide licensable activities and the licence summary is displayed on the premises, the licence summary of any other premises licence will not be displayed at the same time.
- The premises licence holder will not trade/operate the premises for a period of 3 months after the revocation of the existing trading premises licence. This condition will not apply if the aforementioned licence is surrendered or lapses due to insolvency or death.
- The conditions will remain in exactly the same terms as licence number [LICENCE NUMBER]

3.10.6 To promote the licensing objectives this Authority will take a holistic view of the licensing circumstances at the premises. The Licensing Authority will encourage Responsible Authorities and other persons when submitting an application to review a premises licence, to also consider whether it is appropriate to review all the licences in effect at the premises in order to promote the licensing objectives.