

Research Briefing

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By John Woodhouse

Alcohol licensing: cumulative impact assessments



Summary

- 1 The Licensing Act 2003 and cumulative impact
- 2 Cumulative impact assessments (CIAs)
- 3 Evaluation of CIAs

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Contents

| | |
|---|-----------|
| Summary | 4 |
| 1 The Licensing Act 2003 and cumulative impact | 5 |
| 2 Cumulative impact assessments (CIAs) | 6 |
| 2.1 Cumulative impact and the licensing objectives | 6 |
| 2.2 Publishing a CIA | 7 |
| 2.3 Effect of CIAs | 8 |
| 2.4 Reviewing CIAs | 8 |
| 2.5 Examples of statements of licensing policies and CIAs | 9 |
| 3 Evaluation of CIAs | 10 |

Summary

The [Licensing Act 2003](#) governs the sale and supply of alcohol in England and Wales. The act has four licensing objectives:

- the prevention of crime and disorder
- public safety
- the prevention of public nuisance
- the protection of children from harm

Under the act, licensing authorities have responsibility for issuing [premises licences](#) and [club premises certificates](#).

[Section 5 of the 2003 act](#) requires a licensing authority to publish a statement of its licensing policy at least every five years. A policy must consider any cumulative impact assessment (CIA) the authority has published under [section 5A](#). The purpose of a CIA is to help the authority limit the licences that it grants in areas where there is evidence to show that the number or density of licensed premises may be contributing to problems that are undermining licensing objectives.

Detailed information on statements of licensing policy and CIAs is available in chapter 14 of [Home Office guidance issued under section 182 of the Licensing Act 2003](#) (PDF) (February 2025).

1 The Licensing Act 2003 and cumulative impact

[Sections 5 and 5A of the 2003 act](#) refer to CIAs. However, CIAs did not have a statutory basis until 6 April 2018 when [section 141 of the Policing and Crime Act 2017](#) came into force. Until that date, “cumulative impact” and cumulative impact policies (CIPs) were only described in Home Office guidance on the 2003 act. The guidance issued in March 2015 described cumulative impact as “the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area.”¹

Why was the 2003 act amended?

The then government’s [modern crime prevention strategy](#) (PDF) (March 2016) included a range of measures to prevent alcohol-related crime and disorder.² One of these was to put CIPs “on a statutory footing, to strengthen the ability of authorities to control the availability of alcohol and reduce alcohol-related crime and disorder, as well as providing industry with greater clarity about how they can be used”.³

A November 2016 [impact assessment](#) (IA) (PDF) on giving CIPs a statutory basis said the system at that time could, among other things, lead to disproportionate restrictions on new business.⁴ According to the IA, licensing and enforcement partners welcomed the government’s proposal. Most industry partners were “not opposed in principle” but “wanted to use the opportunity to ensure clarity on the process and function of CIPs and transparency over the evidence used to implement CIPs”.⁵

When introducing the changes through the Policing and Crime Bill 2016/17, the government said that CIPs needed reform because not all licensing authorities were making effective or consistent use of them.⁶

¹ Home Office, Amended guidance issued under section 182 of the Licensing Act 2003, March 2015, para 13.20

² Home Office, [Modern Crime Prevention Strategy](#) (PDF), March 2016, chapter 7 (accessed 9 July 2025)

³ As above, p36

⁴ Home Office, [Impact Assessment on putting cumulative impact strategies on a statutory footing](#) (PDF), November 2016, p8 (accessed 9 July 2025)

⁵ As above, p7

⁶ Baroness Chisholm of Owlpen at [HL Deb 9 November 2016 c1192](#)

2 Cumulative impact assessments (CIAs)

A licensing authority must publish a statement of its licensing policy at least every five years. This sets out how the authority intends to operate and promote the licensing objectives in its area. It must be published before the authority carries out any function in respect of individual applications and notices made under the terms of the 2003 act. Before determining its policy, an authority must consult the following:

- the chief officer of police for the area
- the fire and rescue authority for the area
- each local authority's Director of Public Health in England or Local Health Board in Wales
- persons/bodies representative of local premises licence holders
- persons/bodies representative of local club premises certificate holders
- persons/bodies representative of local personal licence holders
- persons/bodies representative of businesses and residents in its area⁷

In determining or revising its policy, an authority must consider any CIA it has published under the act.

2.1 Cumulative impact and the licensing objectives

Home Office guidance on the 2003 act gives examples of how the density of licensed premises can impact on the licensing objectives:

14.21 In some areas where the number, type or density of licensed premises, such as those selling alcohol or providing late night refreshment, is high or exceptional, serious problems of nuisance and disorder may arise outside or some distance from those premises. Such problems generally occur as a result of large numbers of drinkers being concentrated in an area, for example when leaving premises at peak times or when queuing at fast food outlets or for public transport.

⁷ [Section 5\(3\) of the 2003 act](#)

14.22 Queuing in itself may lead to conflict, disorder and anti-social behaviour. Moreover, large concentrations of people may also attract criminal activities such as drug dealing, pick pocketing and street robbery. Local services such as public transport, public lavatory provision and street cleaning may not be able to meet the demand posed by such concentrations of drinkers leading to issues such as street fouling, littering, traffic and public nuisance caused by concentrations of people who cannot be effectively dispersed quickly.

14.23 Variable licensing hours may facilitate a more gradual dispersal of customers from premises. However, in some cases, the impact on surrounding areas of the behaviour of the customers of all premises taken together will be greater than the impact of customers of individual premises. These conditions are more likely to arise in town and city centres, but may also arise in other urban centres and the suburbs, for example on smaller high streets with high concentrations of licensed premises.⁸

2.2 Publishing a CIA

A licensing authority can publish a CIA to help limit the number or types of licence applications granted where there is evidence showing that the number or density of premises in an area is having a cumulative impact and leading to problems which are undermining the licensing objectives. Section 5A of the 2003 act sets out what a licensing authority needs to do to publish a CIA. Chapter 14 of [Home Office guidance on the 2003 act](#) (PDF)(February 2025) provides further detail.

Evidence of cumulative impact

There must be an evidential basis for the decision to publish a CIA. Information which licensing authorities can use includes:

- local crime and disorder statistics, including statistics on specific types of crime and crime hotspots
- statistics on local anti-social behaviour offences
- health-related statistics such as alcohol-related emergency attendances and hospital admissions
- environmental health complaints, particularly in relation to litter and noise
- complaints recorded by the local authority, which may include complaints raised by local residents or residents' associations

⁸ Home Office, [Amended guidance issued under section 182 of the Licensing Act 2003](#) (PDF), February 2025 (accessed 9 July 2025)

- residents' questionnaires
- evidence from local and parish councillors
- evidence obtained through local consultation ⁹

In addition to the above, a licensing authority can consider its own evidence of the impact of licensable activities within its area.

2.3

Effect of CIAs

According to the Home Office guidance, a CIA is a “strong statement of intent” about an authority’s approach to licence applications.¹⁰ A CIA will explain that it is likely that granting further premises and/or club premises certificates in an area would be inconsistent with an authority’s duty to promote the licensing objectives.¹¹

The publication of a CIA does not change the way that licensing decisions are made. Applications for new licences or variations to existing licences must still be considered on an individual basis. Applications that are unlikely to add to the cumulative impact on the licensing objectives should be granted.¹² The Home Office guidance explains:

14.28 While the evidence underpinning the publication of a CIA should generally be suitable as the basis for a decision to refuse an application or impose conditions, it does not change the fundamental way that decisions are made under the 2003 Act. Each decision in an area subject to a CIA therefore still needs to be made on a case-by-case basis and with a view to what is appropriate for the promotion of the licensing objectives. Importantly, the publication of a CIA would not remove a licensing authority’s discretion to grant applications for new licences or applications to vary existing licences, where the authority considers this to be appropriate in the light of the individual circumstances of the case.

2.4

Reviewing CIAs

A licensing authority must review a CIA within three years. In doing so, it must consult with the persons listed in section 5(3) of the 2003 act. If, after consultation, an authority no longer holds the opinion set out in the CIA, it must publish a statement making clear that any reference to the CIA in its

⁹ As above, para 14.29

¹⁰ As above, para 14.40

¹¹ As above, para 14.39

¹² As above, para 14.44

licensing policy statement no longer applies. Reference to the CIA within the licensing policy statement should be removed at the earliest opportunity.¹³

If an authority's opinion remains as set out in a CIA, it must revise the CIA setting out why this is the case.¹⁴

2.5

Examples of statements of licensing policies and CIAs

Statements of licensing policy, CIAs, and reviews of CIAs can be found on the websites of individual licensing authorities – see, for example:

- Middlesbrough Council, [Statement of licensing policy and cumulative impact assessment](#)
- Newcastle City Council, [Statement of licensing policy 2023-28](#) (PDF), see chapter 7 on cumulative impact
- City of York Council, [Statement of licensing policy 2025-30](#) (PDF) and [Cumulative impact assessment 2024](#) (PDF)
- Croydon Council, [Statement of licensing policy 2023-28](#) (PDF), see pp8-11 and appendix 3 on cumulative impact.
- Merton Council, [Cumulative impact policy 2024-2027](#) (PDF)¹⁵

¹³ As above, para 14.35

¹⁴ As above, para 14.36

¹⁵ All accessed 9 July 2025

3

Evaluation of CIAs

A September 2019 paper [examined CIAs in Southwark’s “thriving night-time economy”](#).¹⁶ The paper concluded that CIAs could “be used as policy levers to shape local alcohol environments to support the licensing goals of specific geographical areas and diversify the night-time economy”:

... While we found no evidence that [CIAs] limit the density of different types of licensed venues, [CIAs] may be used as a means to encourage certain types of outlet over others and thereby change the tone of an area’s night-time economy. To further support the development of local licensing policies, an evidence-base for the diversification of the night-time economy is needed, and further work to understand the impact of different outlet types on alcohol-related harm outcomes is required.¹⁷

The authors claimed their research findings were “generalisable to similar urban centres both in the UK and internationally” and that the methodology used was reproducible and scalable. Similar studies across local authorities, or on a regional or national scale were recommended.¹⁸

¹⁶ Sharpe CA et al, [An observational study to examine how cumulative impact zones influence alcohol availability from different types of licensed outlets in an inner London Borough](#), BMJ Open, vol 9(9), September 2019 (accessed 9 July 2025)

¹⁷ As above

¹⁸ As above

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