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Opening a hotel? Plan for your liquor licence

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Hotels in Dublin

There is huge demand for hotel rooms in Dublin.

This is reflected in <u>Fáilte Ireland's Report on Visitor Accommodation in Dublin 2015-20</u> which indicates that 5,382 rooms will be created in Dublin from 2017 - 2020. Approximately 64% of these rooms will be created by new hotels across the city.

The modern 'hotel' is an innovative model - hoteliers must be brave with their ideas in order to satisfy demanding clients and to compete against Airbnb alternatives.

The new 'hotel' bar

A central part of the modern hotel experience is the 'bar'. Many hotels are now focused on providing a unique drinking experience that sets them apart from competitors.

An impressive cocktail bar can be a major draw for residents and non-residents. In particular, rooftop bars have potential to promote a hotel into becoming a destination spot in a city.

How to get a liquor licence

The least restrictive licence for a hotel is a publican's seven-day ordinary licence.

This has become the most popular method of licensing a hotel in Dublin in recent years.

To licence a premises with a "new" publican's licence, the applicant must provide an existing publican's licence for extinguishment. Obtaining a licence to extinguish currently comes at a cost of €60,000 - €80,000. However, the 'new' licence created will hold this investment value.

The applicant must also satisfy the Court that the new hotel premises has never previously been licensed with a publican's licence - this is an important point to consider when dealing with

restoration projects.

Declaratory procedure - a two step process

When applying for a publican's on-licence, it is possible to make an initial application to the Circuit Court, prior to initiating works at the premises, to confirm that the proposed hotel as planned is suitable to be licensed.

At the Declaratory stage, objectors will be called. If objectors appear in Court, the application will be significantly delayed. Typically, the application will be adjourned to the next available date to hear the basis for the objection and to prepare a defence to that objection.

Certificate application

When the premises are complete and ready to open, the applicant then applies to the Circuit Court for a Certificate confirming that all works are completed in accordance with the Declaratory plans and that the premises are fit and suitable to be fully licensed.

It is possible to skip the Declaratory stage and proceed straight to the application for a Certificate.

A key benefit of the Declaratory application is that objections are dealt with at an earlier stage.

If objectors appear at the Certificate stage, where the Declaratory stage has been skipped, the hearing of the application will be delayed by 3-4 weeks which is likely to delay the opening of the hotel.

Opening a hotel - plan ahead

A thriving bar can be crucial to a hotel's success.

The development of a hotel involves the co-ordination of many movable parts. The liquor licensing aspect should not be overlooked. Failure to plan in this regard can have a major impact on the bottom line, particularly if it results in a delayed opening.

At the hearing of the application for a Publican's Licence, an applicant must provide evidence that the premises has planning permission and has met fire safety requirements in respect of the structure and the proposed user of the premises. Compiling this evidence and ensuring compliance takes time and organisation. The Fire Authority will require all relevant documentation at least two weeks in advance of the hearing date of the application. If this deadline is not complied with, it is likely that the application will be adjourned to the next licensing date (i.e., a month later).

Consider engaging professionals at an early stage of the project to avoid the pitfalls that cause delay and additional costs.

For further information on liquor licensing please feel free to contact Maria Edgeworth (maria.edgeworth@ogier.com).

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Meet the Author



Maria Edgeworth

Partner

Ireland

E: maria.edgeworth@ogier.com

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