

# GLA14/7.8

Dealing with ALCs on Licences Issued  
since April 06

17 April 2007

## **Dealing with ALCs on Licences Issued Since April 2006**

### Issue

1. A risk-based approach to tackling additional licence conditions (ALC) on licences issued since April 2006.

### Recommendations

2. Board to note.

### Background

3. GLA Board Paper 13/8.8 (17 Jan 07) explained the policy and the process to be used in dealing with ALCs attached to licences issued since April 2006.
4. Concerns were expressed by Board members that the approach was insufficiently rigorous and that rigor had been compromised for economy. There was doubt as to whether there was sufficient capacity available to deal properly with ALCs.
5. The Executive view was that the intended approach was proportionate, retained sufficient rigour, and was in line with Hampton thinking.
6. Board members were invited to write in with their concerns and any suggestions for an alternative approach. The GLA was invited to demonstrate how it would implement the policy and processes for ALCs on licences issued since April 06.

### Situation

7. No substantive comments or suggestions have been received by the Executive. The GLA has therefore decided to meet its remit under paragraph 6 above, by an analysis based on the process indicated in GLA Board Paper 13/8.8.

### Conclusion

8. Using the policy and processes outlined in GLA Board Paper 13/8.8, and with a knowledge of the numbers and seriousness of ALCs issued since April 2006, it has been possible to develop a plan by which ALCs may be dealt with (ie. removed, investigated or carried forward) around licence renewal dates. The analysis leading to that plan, and the plan itself are at Annex A. The plan will tie up roughly 5% of the total GLA compliance capacity during FY07/08.

Analysis and Plan for Dealing With ALCs on Licences Issued Since April 2006

Approach

1. This analysis deals with licences due for renewal in the 6 month period between 1 May 2007 (when the first licence renewal is due) and 31 October 2007. It:
  - Identifies the number of cases that have already been reviewed.
  - Identifies the number of cases that still require review, and their specific clearance method.
  - Explains in detail how the different categories of ALCs will be handled, and
  - Develops a plan for the review and clearance of ALCs and indicates the resources necessary.

Analysis

2. As at 6 March 2007 a total of 403 licences with ALCs had been issued. Only 307 of these have a renewal date that falls within the defined period.
3. A number of the 307 have been reviewed already, mostly at the request of the LP, keen not to be seen having ALCs. Although 250 licences have been reviewed, not every review has resulted in all the ALCs on each of these licences being cleared. There are currently 330 individual ALCs on the licences of 192 different LPs.
4. The current position on these 192 LPs is:
  - 44 Information with GLA for review and assessment of clearance method
  - 17 ALC reviews scheduled for Compliance Inspection (CI)
  - 12 Awaiting scheduling for CI
  - 119 No action yet taken by LP to inform GLA of position regarding ALCs
5. Analysis of the ALCs issued on the 119 cases against the table at paragraph 6 of GLA Board Paper 13/8.8 shows the following:
  - 37 Require CI
  - 76 Require Documentary Verification (DV)
  - 6 Require Self Declaration (SD)

6. Prioritising these 119 cases by renewal date gives the following profile:

Renewal week	Renewal cycle commences*	CI	DV	SD
30/04/07	19/03/07	2	7	1
07/05/07	26/03/07	1	6	
14/05/07	02/04/07	2	5	
21/05/07	09/04/07	2	4	1
28/05/07	16/04/07	3	6	
04/06/07	23/04/07		3	
11/06/07	30/04/07	2	15	
18/06/07	07/05/07	7	11	1
25/06/07	14/05/07	6	4	
02/07/07	21/05/07	3	1	1
09/07/07	28/05/07	2	4	
16/07/07	04/06/07	3	4	1
23/07/07	11/06/07	4	6	1

(\* This is the date 6 weeks before renewal, at which the renewal cycle reminder process commences)

#### Detailed Rules and Procedures

7. These rules and procedures are repeated or derived from "Additional Licence Conditions: Procedures for Review and Licence Decisions" dated 8 Jan 07.
8. Requests for ALC Review. The 73 LPs that have told the GLA that they have cleared their ALCs are to be given priority over those who have not.
9. Compliance Inspections
  - a. Analysis of the remaining 119 cases identifies a total of 37 cases spread over the next 13 weeks. These cases should therefore be assigned for scheduling, in renewal date priority order. As the first four weeks cases are critically close to renewal they should be introduced into the inspection work lists immediately.
  - b. If current workload permits, Head of Compliance will assess whether additional weeks should be assigned in the initial exercise. If not, those subsequent cases should enter the work lists week by week.
  - c. If an inspection is not completed before renewal, renewal will be allowed to continue and the ALCs will be shown on the new licence. A CI will be scheduled as soon as possible in the new licensed period.
10. Documentary Verification/Self-Declaration
  - a. The remaining 82 cases could potentially be cleared without a compliance inspection if the LP is able to confirm that the ALCs have been addressed, and compliance has improved. To increase the numbers that could be cleared before the renewal cycle starts, a mail shot will be sent to all these LPs, requesting they contact the GLA to confirm the position on ALCs.

- b. For ease of handling and for presentational purposes, there will be two mail shots. The first will cover the 48 cases entering the renewal cycle up to week commencing 30/04/07. Because the mail shot will be followed very closely by the first renewal letter, this mail shot should warn of the renewal letter. The second mail shot – which does not need to warn LPs of the imminent arrival of the first renewal letter) will cover the remaining 34 cases entering the renewal cycle up to week commencing 11/06/07.
- c. Responses from LPs will be considered in renewal date priority order.
- d. Where LPs do not respond to the mail shot within the specified time, revocation or referral for compliance inspection will be required. In such cases, where it is appropriate to renew, the ALCs will carry forward onto the new licence until the compliance inspection can be scheduled.
- e. Once the responses from these cases (or lack of response) have been cleared the cases for November and December will be analysed, reviewed and scheduled.