



7 April 2005

Sir Michael Lyons
Lyons Inquiry into Local Government Funding
Room 3.12
1 Horseguards Road
London, SW1A 2HQ

Dear Sir Michael,

The Association of Licensed Multiple Retailers (*ALMR*) welcomes the opportunity to contribute to your inquiry into local government funding.

By way of background, the *ALMR* is the only national trade body solely dedicated to representing the interests of licensed retailing companies – principally pub, bar, club and restaurant operators. Currently we have 96 companies in membership, between them owning and/or operating nearly 29,000 outlets – around half the UK pub and bar estate. Members include major pub companies such as Punch Taverns and Enterprise Inns – whose pubs are operated as individual small businesses – national chains of managed operators such as Regent Inns and Laurel and the retail estate of many regional brewers. However, the bulk of our membership is derived from small independent companies operating 50 outlets or less under their own branding. While not necessarily their principal business there are many *ALMR* Members who offer accommodation as part of their pub businesses, and a few who actually run small hotels.

We note with concern the possibility that a tourism tax may be contemplated as a contributor to local authority income. We have had sight of the submission prepared and entered by the British Hospitality Association and fully endorse the arguments made by that organisation. In particular we believe that an increase in accommodation costs would make uncompetitive the letting rooms business for some pubs, and that would be a considerable loss to the tourism opportunity in many parts of the country.

This letter mostly confines itself to rejecting the prospect of a tourism levy (a bed tax) but it occurs to us that the Business Improvement Districts initiative should be something for local authorities to examine. BIDs, as you will know, allow for a levy on businesses in area to achieve and maintain agreed outcomes with dedicated, ring-fenced funds. Even this initiative is not uncontroversial but we consider that it is preferable to a general levy that will certainly disadvantage the affected businesses.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nick Bish', with a stylized flourish at the end.

Nick Bish
Chief Executive

cc: British Hospitality Association
The Tourism Alliance