

HISTORY OF THE CARLISLE STATE MANAGEMENT

SCHEME 1916 - 1974

By

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THE CARLISLE STATE MANAGEMENT SCHEME : 1916-1974

INTRODUCTION

1. This study represents an attempt to outline the history of State Management of the liquor trade in the city of Carlisle and a surrounding area of 320 square miles of Cumberland, (F1) from its inception in July 1916 to its disposal under the terms of the Licensing (Abolition of State Management) Act, 1971.
2. Brief reference will be made, where appropriate, to the Scottish State Management Districts (Gretna and Cromarty Firth) where State Management was introduced at about the same time as it was in Carlisle, and has similarly been abolished under the Act of 1971. There will also be some mention of the provisions made in the Licensing Act 1949 for the introduction of State Management in the new towns, and their repeal by the Licensed Premises in New Towns Act 1952 before State Management had got off the drawing board.
3. The main sources of the study (fortified but, it is hoped, not distorted by my recollections of the 21 years (September 1941-March 1962) during which I was concerned officially with the Carlisle Scheme) are Home Office files, the annual State Management Districts Reports, reports of Committees and Commissions, and the relevant Statutes and Hansards.
4. Among non-official publications, "The Control of the Drink Trade in Britain" by Rev. Henry Carter (Longmans, Green & Co 1919) gives a comprehensive account, with copious reference to "primary" sources, of the background to and history of the Central Control Board (Liquor Traffic), of which the late Mr Carter was a member, which established the Carlisle Scheme. A shorter work, "State Purchase of the Liquor Trade" by Joseph Rowntree and Arthur Sherwell,* also published in 1919, though devoted mainly to a cogent development of the case for State Management throughout the country contains also an interesting section on the early days of the Carlisle Scheme. A relatively recent study of the Carlisle and Scottish State Management Districts from the administrative and financial point of view is contained in an article by Mr R M Punnett, "State Management of the Liquor Trade", which appeared in the Summer 1966 issue of "Public Administration". "A City under the Influence", by John Hunt (Lakescene Publications, 1971) contains a lively account of the Scheme from inception to abolition.

ORIGIN OF THE SCHEME

5. If one were asked to explain on the proverbial half sheet of note-paper how it came about that, at the height of the First World War - coincident almost with the Battle of the Somme - the State, through one of its agencies, found the time and inclination to take over the Carlisle pubs (along with some hotels, restaurants and

1/2 "space" (F1)
1/2
For the statutory definition of the area covered by the "Carlisle District" see Part I of the 9th Schedule to the Licensing Act 1964. That Act ^{was} a consolidating measure, and the boundaries of the District remained unaltered since they were statutorily defined in the Licensing Act 1921. In this history, references to local government areas and authorities are to those existing before 1 April 1974.

* (Mr Sherwell, who was an MP (Liberal) during the First World War, was ^{an} acknowledged expert on licensing law and liquor taxation. He was a member of the second (1917) Liquor Trade Finance Committee referred to in paragraph 49 below, and later of the Royal Commission on Licensing (England and Wales) 1929-31, of which Mr Carter was also a member).

breweries) one might say: "Because drunkenness among workers building a nearby munitions factory had given rise to acute social problems which it was felt could not be remedied in any other way." This, like most statements whose only merit is their brevity, raises as many questions as it answers. Some of the most obvious - what did this drunkenness problem really amount to, why should State purchase have been regarded as a remedy, and how far it achieved its purpose - will be dealt with later on. First, however, one needs to try to answer a more fundamental question: under what statutory powers the State was acting (since even in war time one would not expect a democratic Government to be able to take over the liquor trade, generally or locally, by a mere administrative stroke of the pen) and in what circumstances the powers were originally conferred.

THE NATIONAL BACKGROUND

6. The First World War, like the Second, saw a marked fall in the number of persons convicted of drunkenness. (f2) But here the comparison, in any case a rough and ready one, stops. The early part of the First War produced a phenomenon for which there was no parallel in the Second: excessive drinking which, though confined to a relative minority of workers in ship building, munitions and other industries, represented a serious impairment of the war effort. In March 1915 Lloyd George said: (f3) "We are fighting Germany, Austria and Drink; and, as far as I can see, the greatest of these three deadly foes is Drink." This remark should no doubt be duly discounted as a typically colourful piece of hyperbole, but it is perhaps significant that it could have been made at all by a leading member of the Government - and apparently taken at or near its face value by the press and public. There certainly seems to have been an impressive and cumulative amount of evidence - shortly afterwards assembled in a Parliamentary Paper (f4) - of the detrimental effect of excessive drinking on output and efficiency.

7. Carter (f5) paints the general picture in this way: (1) in certain trades in which the maximum output was requisite for national reasons, there was an habitually intemperate minority; (2) the incursion of casual labour, and the enlargement of spending-power, tended to increase this minority; (3) so interdependent is labour that the drunkenness of a few did, in point of fact, delay the work of many; (4) in the vitally important sea-transport trades there was an old tradition of heavy drinking, hard to break, and hostile to speed and efficiency; (5) habitual indulgence in liquor, which stopped short of open drunkenness, could seriously impair efficiency; and (6) the social environment of war-workers was often so harsh and unfavouring as to constitute an incentive to public-house frequenting.

8. Another factor brought out by the Parliamentary Paper on "Ship Building, Munition & Transport Areas" was that in many cases higher wages meant more drinking. Thus the Director of Transports, Admiralty, reported "The root cause of the serious congestion at some of the docks is that the men can earn in two or three days what will keep them in drink for the rest of the week". He went on to report that, in one instance, the problem had been met by replacing a gang of dockers by men "under military discipline. On the first pay day one got drunk and was given 12 months' hard labour. There has been no trouble since"

1/2" space (f2) One obvious reason was the number of persons serving in the armed forces overseas.

1/2" (f3) CARTER, CONTROL OF THE DRINK TRADE, p. 50.

(f4) Report and Statistics of bad time kept in ship building, Munitions and Transport Areas; 1914-16 (220) IV. 947.

(f5) Carter, p. 103. CARTER, CONTROL OF THE DRINK TRADE, p. 103.

9. A less abrasive comment, which may be worth quoting as a sidelight on social history, is contained in the following extract, relating to Barrow-in-Furness, from the reports of the "investigators" sent by the Home Office to enquire into the situation in the ship building areas. "They (the workers) are generally drinking at present a rather expensive beer known as '6d and 10d' which is a combination of two beers priced at 10d and 6d a quart respectively, and sold at 5d a pint. Prior to the present boom the men could only afford to drink beer at 3d a pint."

10. Some restrictive measures had already been introduced. The Intoxicating Liquor (Temporary Restriction) Act, which became law as early in the war as 31 August 1914, empowered licensing justices, on a recommendation by the chief constable, to curtail the hours for the sale or supply of liquor in licensed premises and registered clubs in the licensing district. By the end of 1914, restrictive orders had been made in over 400 licensing districts in England and Wales. In London, "closing time", previously half an hour after midnight became 10 pm and, by agreement with the "trade", women were not served before 11.30 am. (f 6)

11. But it was soon recognised that something much more fundamental was needed to deal with the situation. A deputation from the Shipbuilding Employers' Federation, which Lloyd George and the Secretary for Scotland received on 29 March 1915, urged that there should be total prohibition, for the duration of the war, of the sale and supply of liquor in both licensed premises and clubs, not merely in the war industry areas, but throughout the country. (f 7) Others, while not going as far as that, urged that Britain should follow the example of Russia, which had prohibited the sale of vodka (which was a State monopoly even in Tsarist times) and of France, which had prohibited the sale of absinthe, by a war time prohibition of the sale of spirits - a view supported by a "Times" leader of 13 April 1915.

12. Lloyd George, for his part, considered that the answer lay in State purchase of the liquor trade. The Government would then have a free hand to implement any restrictive or constructive measures generally or locally which the situation seemed to require, and to modify them in the light of experience and of new developments. A Liquor Trade Finance Committee (England and Wales) under the chairmanship of Mr Herbert Samuel was appointed to advise the Government on the financial arrangements which would be involved. A separate Committee was appointed for Scotland. (The remit of each Committee was required to take into account the possibility of a war time prohibition of the sale of spirits). The Committee reported in April 1915. (f 8) The Committee for England and Wales estimated the cost of State purchase, which the Committee recommended should be financed by the issue of £ Government stock at par, at £250m, excluding allowance for certain off licences, compensation to the holders of "grocers' licences", to employees, and the expenses of acquisition and administration which would include "the appointment of Commissioners to determine values and carry out the purchase, and an Authority to conduct the trade on behalf of the State." The Committee considered the main advantage of State purchase would be large savings arising from the elimination of redundant breweries and the concentration of distribution and sale: the disadvantage would be that the social policy of the State in discouraging drink would be in direct conflict with financial profit.

(f 6) Carter p 36. There is no suggestion by Carter that anyone took exception to this piece of sex discrimination.

(f 7) Report in "The Times" of 30 March 1915, (reprinted in the Parliamentary Paper REPORT AND STATISTICS OF BAD TIME KEPT IN SHIPBUILDING, MUNITIONS AND TRANSPORT AREAS; 1914-16 (220) IV. 447

(f 8) It appears that their reports were not formally published until 1916, Liquor Trade Finance Committee (England & Wales). Proposals for the state purchase of the licensed liquor trade. Advisory Committee Report; 1916 Cd. 8283, xii, 529 and Liquor Trade Finance Committee (Scotland). Proposals for the state purchase of the licensed liquor trade. Advisory Committee Report; 1916 Cd. 8319 xii, 535.

13. The Scottish Committee did not itself make any corresponding estimate, but quoted "trade" estimates, which it said it had no means of checking, that the capital value of the Scottish publicans' interests, based on seven years' purchase of estimated annual profit, would be nearly £7.8m, and that of the grocers' licences nearly £1.5m. In the absence in Scotland of the "tied-house" system obtaining in England and Wales, the Scottish Committee saw no need to buy out the Scottish brewers who were merely the creditors, and not the owners, of the public houses. Nor did the Committee recommend buying out the distilleries, on the ground that they were either engaged largely in export, or in production of spirits for industrial purposes, and others were so unremunerative as to be a bad bargain.

14. The concept of State purchase had a fair wind from some of the "quality" press, and even from certain leading brewers, and, it seems, might well have been accepted, at any rate as a war time measure, by the Conservative Opposition (of paragraph 16 below). But it did not get off the ground. As Lloyd George said later (f9) "I was faced with the difficulty that the interests which would have to be dealt with by way of purchase or compensation were so numerous and varied in character that the negotiations threatened to take months". Abandonment of the scheme was also attributed to pressure on the Prime Minister (Mr Asquith) by certain sections of the temperance movement to whom any idea of State pubs was abhorrent, and who also feared that State ownership would prove an obstacle to any future schemes of "local option".

5r6 405
c. 42.

15. But while the idea of public ownership of the liquor trade on a national scale had to be abandoned, the power to implement it locally was one of the main features of the measures which Lloyd George succeeded in introducing; namely the Defence of the Realm (Amendment) (No. 3) Act 1915, and the Defence of the Realm (Liquor Control) Regulations 1915, made thereunder. The Act, which contained a single section entitled "State Control of Liquor Trade in certain Areas" provided that where "for the successful prosecution of the present war" it appeared to be expedient to control the sale or supply of liquor in any area on the ground that "war material is being made or loaded or that men belonging to His Majesty's naval or military forces are assembled in the area .." regulations might be made giving "the prescribed Government authority" powers amounting almost to a blank cheque: including exclusive power to sell or control the sale of liquor, to acquire, compulsorily or by agreement, either for the duration of the Act (f10) or permanently, any licensed or other business in the area, and to modify the licensing laws so far as appeared necessary or expedient.

16. The Act had a speedy passage. The Bill for it was introduced by Lloyd George on 29 April 1915, and it received Royal Assent on 19 May. During its passage through the House of Commons, the Government had the support of the Conservative Opposition in resisting amendments to whittle down the "State control" powers. Bonar Law said that he was among those "who have always been of the opinion that the only real chance of temperance reform in this country is some system of disinterested management" (f11) and, from a rather different angle, Lord Robert Cecil said "in ordinary peace times I should certainly put down amendments considerably limiting the power of the State in undertaking a great piece of trading of the most socialistic character. My hon. Friend (referring to a preceding speaker) seemed to think that if it was confined to tea it was socialistic, but so long as it was concerned with beer it was not. I think this is a very socialistic proposal ... but it is one of the advantages of the present situation that we can afford to allow the Government ... to do whatever it thinks necessary for carrying on the war without compromising any of our opinions ... I wish (the Bill) to be tried with the fairest possible chance of success. That can

1/2" SPACE (f9) GEORGE, DAVID LLOYD, WAR MEMOIRS, 1933, p. 332, VOL. 1.

INSET 1/2" (f10) is during the continuance of the war or such further period not exceeding one year thereafter as might be prescribed by Order in Council.

(f11) ~~Hansard, 11 May 1915, Col. 1558.~~

71, H.C. DEBATE, 5S, 11 MAY 1915, COL. 1558.

best be secured by giving the greatest possible elasticity to the Board of Control ... I should regret to see any limiting amendment." (f12)

THE CENTRAL CONTROL BOARD

17. The Defence of the Realm (Liquor Control) Regulations made by Order in Council on 10 June 1915, set up the Central Control Board (Liquor Traffic) as the "prescribed Government authority" and conferred on the Board the following main powers in any of the areas allotted to it by subsequent Orders in Council.

- (a) close any licensed premises or club;
- (b) regulate the hours during which licensed premises or clubs might be kept open, either for the sale or supply of liquor, or for other purposes;
- (c) prohibit the retail sale or supply of any specified class of intoxicating liquor; and provide that the retail sale or supply should be subject to such conditions or restrictions as might be imposed;
- (d) require the business carried on to be subject to the supervision of the Board; (Regulation 2)
- (e) prohibit the sale by retail or supply in clubs or licensed premises of intoxicating liquor by any person other than the Board; (Regulation 3)
- (f) make such provisions as they thought necessary for the prevention of treating; (Regulation 4)
- (g) establish either by themselves or through any agents refreshment rooms for the sale or supply of refreshments (including, if thought fit, the sale or supply of intoxicating liquor) to the general public or to any particular class of persons, or to persons employed in any particular industry; (Regulation 5)
- (h) acquire compulsorily or by agreement, either for the period during which the Regulations took effect, or permanently, any licensed or other premises in the area, or any interest in such premises; acquire any business (including stock in trade) carried on in any premises within the area; (Regulations 6 to 8)
- (i) carry on without any licence, whether justices' or excise in any premises occupied by them any business involving the sale or supply of intoxicating liquor, refreshments or tobacco, without being subject to any of the provisions of the law relating to licensing, and have power to provide or authorise such recreation or entertainment as they thought fit without a licence being required. (Regulations 9 and 10)
- (j) order the dilution of spirits; (Regulation 12)

18. The members of the Board were appointed by the Minister of Munitions (Lloyd George wearing another hat) and had been nominated and had got to work in advance of the Regulations. The Chairman was Lord d'Abernon and other members included, at one time or another, Neville Chamberlain, Philip Snowden, J H Thomas, Lord Leverhulme and, as mentioned earlier, the Rev. Henry Carter. Two leading brewers were appointed:

1/2" space
(f12) Ibid, Col. 1570

Mr W Waters Butler of Mitchell & Butlers and Mr S O Nevile of Whitbreads (both subsequently knighted). The Home Office (f13) representative was Mr (later Sir) John Pedder and the Secretary was Mr (later Sir) John Sykes, previously of the Board of Education.

THE STATE MANAGEMENT DISTRICTS

19. It will be seen that the Central Control Board was empowered to take over the liquor trade in any area in which its writ ran, and it seems a fair inference that Parliament would not have been surprised, or disquieted, if it had done so on a fairly substantial scale. However, although by 1918 there were 44 areas in Great Britain, with an aggregate population of about 38m., under the Board's jurisdiction, State management applied to only three districts besides Carlisle. In all the others, the Board left the trade in private hands, but applied fairly drastic restrictive measures as regards hours of sale and the like. These measures also applied to Carlisle before and after the introduction of State management and will be described in that context.

20. The State Management districts, other than Carlisle, and the take-over dates were:-

Enfield Lock. Arising from representations by a deputation from the workers employed at the Royal Small Arms factory about the lack of facilities for meals, four public houses in the vicinity were taken over in January 1916 and equipped with canteen facilities. Two were almost entirely rebuilt. Later, adjacent off sales premises were also acquired. State management here was wound up in 1922.

Cromarty Firth. In order to secure effective control in the area surrounding the naval base at Invergordon, the licensed premises there and at Cromarty, including four hotels with public bars, were acquired in April 1916. In the spring and summer of 1918, at the request of the Admiralty, the "direct control" area was extended to include the remainder of the Cromarty Firth coastline and the county town of Dingwall. In all, 59 licences, including "grocers' licences", were acquired, of which 19 were suppressed as redundant. Cromarty Firth remained a State Management District until the 1971 Abolition Act: the number of State management premises at 31 March 1971 was 18.

Gretna. As the circumstances leading to State management there are also relevant to Carlisle, they will be described in the latter context, and it may suffice here to say that, starting in January 1916, 39 premises in all were acquired in the Gretna area, which also remained a State management district until 1971, when the number of premises was 15.

STATE MANAGEMENT IN CARLISLE

21. In the autumn of 1915, the construction began of a munitions factory - the largest in the country - at Gretna, resulting in the influx of thousands of navvies and other constructional workers into what had hitherto been a quiet rural area. The majority lodged in Carlisle - the only town of any size in the area - in the rough and ready conditions referred to below, and most of those that lodged elsewhere resorted to Carlisle in the evenings and the weekends. The men were hard worked, hard drinkers and highly paid, and there were few social amenities other than the plentiful public houses. "The invasion of a quiet cathedral city by a host of highly paid workmen, doubling the adult male population and without the usual ties and

1/2 spirit (f13) This seems to have been about the first overt recognition that the Home Office had an interest in the matter. The then Home Secretary, though obviously a party to the 1915 Act as a member of the Cabinet, seems to have taken no part in the Debates on it on which the running throughout was made by Lloyd George, assisted from time to time by the Attorney General, Sir John Simon. It is difficult to imagine a present day Home Secretary being content to remain on the side lines while the licensing system was being turned upside down.

occupations of home life, soon made itself felt in the records of convictions for drunkenness, the number of which rose steadily from an average of 5 per week in the autumn of 1915 to an average of 42 per week in the month of June 1916." (f14)

22. A more graphic picture was given by a local resident, the Rev. G Bramwell Evens, in his book "The Truth about Direct Control in Carlisle" (P S King, Westminster, 2nd. ed. 1917)

"October, 1915-June, 1916 witnessed the coming of a new population. Into this quiet city of 50,000 inhabitants ... there poured 10,000 to 12,000 of the navy class whose hard-drinking propensity is proverbial. In addition to these, 2000 to 4000 more took up their abode in the Gretna hutments and neighbouring hamlets, making Carlisle, especially on Saturday nights, their drinking rendezvous ... The housing problem at once became acute. Small houses were simply stacked with men. Every available room was commandeered for sleeping purposes. Hundreds were compelled to board out. At night these men were practically turned out into the street until bed-time. Their landladies did not want them inside the house; their money was wanted but not their company ... The cafes and places of entertainment were crowded, and after these there only remained the public-houses as a place of refuge.

"Here, then, were thousands of men wandering aimlessly about, with no home ties, with plenty of money and with public-houses at every few yards inviting them to conviviality and seeming comfort. It is not to be wondered at that scenes of the most nauseating and degrading character became a common occurrence. Men fought like beasts; fierce fights raged round the doors of the public-houses. The diminished police force was unable to cope with the situation. Almost every alley was littered with prostrate drunken men. The main thoroughfare of Carlisle was Bedlam."

23. Mr Hunt's "City under the Influence" gives the following account of another practice - the nightly invasion of Gretna workers before closing time:

"Before getting on the train, the ... workers would take a silver collection with which they bribed the driver to get them into Carlisle with an extra few minutes to spare. On arriving ... the workers would make a run to the nearby Boustead's bar where ... Sammy Boustead would have between four and five hundred whiskies ready poured for them."

24. It was against this background, and following a series of conferences in June 1916 in Carlisle with the local authorities, the wholesale and retailed licensed trades, and representatives of the registered clubs (ie clubs authorised to supply liquor to members) that the Board decided to introduce State management in Carlisle. As noted by Carter, critics of State purchase implied that it would have been quite unnecessary to take this step, whose value they disputed in any case, if the Board had not let the situation get out of hand. But, as Carter emphasizes (p 202) and the point is also made by Rowntree and Sherwell (p 31), the situation could not be attributed to an absence of restrictions. As early as November 1915 the "North Western Border Area", which included both Carlisle and Gretna and their surrounding

(f14) Third Report of the Central Control Board (Liquor Traffic). It could be added that in 1916 Carlisle headed the league table of county boroughs for convictions of drunkenness per 10,000 population. Carlisle's proportion, 180, was more than five times the average of the county boroughs as a whole, and the total of its convictions, 953, exceeded those of Sheffield and Leeds, which were seven times its size. (see Rowntree & Sherwell "State Purchase of the Liquor Trade", p 30). Of the 953 persons convicted, 788 were Gretna factory workers (Carter, p 206).

counties, was made subject to the Board's standard form order, under which the hours for "on" sales were reduced to 5 a day, and for "off" sales to 4 (the pre-1914 hours for both on and off sales ranged from 19 $\frac{1}{2}$ in the Metropolis to 16 in rural areas), and the off-sales of spirits were further restricted to 2 $\frac{1}{2}$ hours at midday, Mondays to Fridays, with a complete prohibition of off sales at the weekends. The Order also prohibited treating and sales on credit. In addition to these standard restrictions Sunday closing, which was already the law in Scotland, was extended to Carlisle and the English border area.

25. The same point was made by Lord d'Abernon in a statement at Longtown in June 1917, when he said that the Carlisle scheme was not instituted "as a deliberate experiment in State Purchase; it was started because the establishment of Gretna Factory gave rise to a local liquor problem of extreme difficulty, for which the ordinary machinery of control was confessedly inadequate." (f15)

THE ORIGINAL AREA

26. Initially, the Board decided to confine the "Carlisle Direct Control Area" - as it was then termed - to the City of Carlisle and to the surrounding country areas covered by the Longtown and Cumberland Ward Petty Sessional Divisions of the County of Cumberland. In this area there were, in June 1916, 201 licensed premises, of which 119 were in the City of Carlisle. The only premises not acquired were two hotels in Carlisle which did not then have a bar trade of any significance, and a restaurant where drink was ancillary to meals - these three premises continued to remain under private ownership. Two other Carlisle hotels "The Victoria" (renamed "The Central") and "The Red Lion" were however subsequently acquired and remained under State management. So were some country hotels, which had been under the control of the breweries. These included "The Crown", Wetheral, which before 1914 had been, and under State management became again, a high class residential hotel, much favoured by anglers, hotels at Silloth and Maryport, on the West Cumberland coast, and "The Green Dragon" at Workington, a town not included in the "Control" area or subsequent State Management District; the hotel, like some other premises in places also outside the area, was the property of one of the breweries taken over by the Board. The Board also acquired the four breweries in Carlisle, which between them controlled 59 licensed premises in the city.

27. By the end of 1916, ie during a period of about 6 months of "direct control" the Board had reduced the number of licensed premises in Carlisle to 94, and in the remainder of the area as it then existed, to 78. By the end of 1918, the numbers had been reduced to 69 and 46 respectively.

EXTENSION TO MARYPORT AND WEST CUMBERLAND

28. The area referred to in paragraph 26 above would have been sufficient for the primary purpose of control of premises patronised by the Gretna munitions workers. The Board were, however, faced with the separate problem that a considerable number of the premises which they needed to acquire in that area - 20 in Carlisle alone - were owned by the Maryport Brewery, and the business done at these houses formed so great a proportion of the brewery's total business that the continued existence of the brewery as a paying concern was seriously jeopardised by the Board's action. The Board were advised that the purchase of the whole of the brewery's undertaking would be more economical than the payment of compensation for the loss of their business. By an agreement reached in June 1917, the Board became possessed as from November 1916 of the whole of the assets of the Maryport Brewery, including, in

(f15) Quoted by Rowntree & Sherwell, p 22. By "ordinary machinery of control" Lord d'Abernon presumably meant the Board's normal restrictions, which, compared with the pre 1914 (or present day) licensing law, could well be called "extraordinary machinery".

addition to the 20 licensed premises in Carlisle, 105 licensed premises in Maryport and the surrounding country area, as well as the brewery, bottling and spirits stores, and various unlicensed properties. As a result, the area of direct control was in April 1917 extended to include the whole of the Maryport and the north-western portion of the Allerdale-below-Derwent Petty Sessional Division. This area, and the original area referred to above, which comprised in all about 320 square miles, was known as the "Carlisle & District Directly Controlled Area". There were no further extensions, and the area subsequently became the "Carlisle District" as defined in the Licensing Act 1921 and later Acts.

29. In contrast with the "original" area (cf paragraph 27 above) progress in the closing of redundant premises in the Maryport area was comparatively slow. By the end of 1918, only 12 had been closed. In this area, there was no overriding social need, as there was in Carlisle, for effective control over all the public houses. By and large therefore the Board's ownership was confined to the houses which it acquired along with the Maryport Brewery: the Board did not exercise its powers of compulsory purchase in the case of other privately owned premises and its attempts to negotiate with the owners with a view to a mutual reduction in the number of licences were not successful. In the absence of agreement on this point, closure by the Board of its Maryport premises on a scale comparable with that in Carlisle would have meant giving a substantial present to its competitors - and the Board saw no reason why disinterested management should be carried to the length of commercial folly. A policy of rationalisation and closure of some redundant public houses in Maryport was however successfully adopted at a late stage in the Scheme's history (see paragraph 135 below).

PROCEDURE ON ACQUISITION

30. In the case of the owners and other interested parties, agreement as to compensation was normally reached between them and the Board's valuer, subject to ratification by the Board and the Treasury, who supplied the finance. Where agreement could not be reached, the procedure then obtaining for compulsory purchase applied. In the case of the licensees, the procedure was described in paragraphs 6-12 of the Report of the Carlisle General Manager (f16) for 1916, reproduced at Appendix A.

31. These paragraphs included, it will be seen, comments on the condition of the premises before the takeover. These may be supplemented by recording some of the remarks made in the reports on individual houses (contained in the State Management Archives). One of the most frequent was the innocuous "Great deal of domino playing". Other pubs were summed up as "much frequented by women"; a few were said to be frequented by "loose women - bad to supervise", and one or two were "frequented by prostitutes" or by "gamblers, thieves and poachers". On the other hand there seems to have been little or no express mention of heavy drinking or drunkenness: perhaps this was taken as read.

THE BOARD'S OTHER MEASURES

Restrictive

32. The restrictions contained in the "North Western Border Area" of November 1915 (paragraph 24 above) continued to apply. In addition, the following special restrictions were imposed after the introduction of "direct control"

- a. "Grocer's licences" were suppressed.

(f16) Mr (later Sir) Edgar Sanders, who had been Clerk to the Liverpool Justices, and one of the "assessors" to the Central Control Board.

- b. Mixed drinks. The prevalent practice of ordering a glass of spirits and a glass of beer together, locally known as "a heater and a cooler", was discouraged; and later on managers were expressly forbidden to accept such orders.
- c. Sale to Young Persons. Under the law as it stood, spirits could be sold to persons of 16 and over. There was no specific restriction on the sale of wine and beer, but children under 14 were not allowed in the bar of licensed premises. The Carlisle managers were instructed not to sell spirits to anyone apparently under the age of 18, and not to sell beer or wine to such persons except for consumption with a meal.
- d. Advertisements of intoxicants were discontinued - 'and there is little to suggest that the buildings are public houses, except for their names or signs' (General Manager's report for 1918).

33. Of these restrictions, a. and in general d. continued to be part of subsequent State Management policy, and c. has become, with the modification mentioned below, part of the general licensing law. Under provisions first enacted in the Intoxicating Liquor (Sale to Persons under 18) Act 1923 it is an offence knowingly to sell intoxicating liquor for "on consumption" to a person under 18, except that beer, cider or perry (but not wine, as permitted by the Board) may be sold to a person of 16 or over for consumption with a meal in a part of the premises set aside for meals; and under provisions first introduced by the Licensing Act 1961, "off sales" to persons under 18 are entirely prohibited. The 1923 Act, and the off sales restrictions in the 1961 Act, were initiated by Private Members. The Government of the day was not convinced of the need for the latter restrictions, but bowed to Parliamentary pressure.

34. Because of drastic restrictions of supplies of beer and spirits resulting from Orders of the Food Controller, the Board, through its managers, introduced a system of rationing of "off" sales which ensured that supplies were spread evenly over the week. In the case of "off" sales of spirits, a ticket system was devised. "This system leads to hardship in some cases, but ... no better plan has been found possible ... At any rate spirits in bottle can be bought by the general public, which is the case in few other towns in England" (General Manager's Report for 1918).

Constructive Measures

35. Briefly, these were:

- a. encouragement of the supply of food, particularly by the reconstruction or adaption of certain premises as "Food Taverns" (notably the "Gretna Tavern" which was visited by King George V and Queen Mary in May, 1917). In addition, managers of public houses (but not of the "food taverns" or hotels) were given a commission on the sale of food and non-intoxicants. However, as noted in the General Manager's Report referred to in paragraph 36 below, experience showed that the public house, unless in a district where the workers were at a distance from their homes, was regarded as a place for liquid refreshment only, and "no one wishes to persuade people to make a practice of having food away from home unless circumstances compel it." The Central Control Board's Fourth Report (for the year ended 31 March 1918) put the point this way: "The Board fully recognise that at the present time the vast majority of the ordinary customers of these (i.e. the Food Taverns) as of other public houses enter the houses merely to drink, or to drink and chat, and they (the Board) have no

expectation that ingrained habits ... will be easily or suddenly changed. Their aim, however, has been to secure that drinking, even if it must be drinking and nothing else, shall be conducted in conditions of decency and comfort, and that food shall be available for all who may wish to take it with their drink ..." On the other hand, as also noted in the General Manager's Report, the Board had considerable success with "off sales" of food, including sales at midday to children whose mothers were at work. And even the "London Tavern", which had not proved very successful (see Appendix B) was not entirely without friends. The General Manager's Report for 1917 quoted the following letter which had appeared in a Liverpool newspaper:

"May I, as a working man and non-teetotaler, have a word on the work of the Carlisle Control Board ... I am a railwayman, and have lodged at Carlisle three times this last week, and have had most of my food at the London Tavern ... and I found that the food was excellent and very reasonable. One can get a good plate of meat and vegetables for 1s. and the tea and coffee are all that could be desired ... I should like to see a public house in Liverpool that caters for the working-man give us such a clean and comfortable dining room. The beer is only 6d. a pint, and quite as good as that sold in Liverpool for 7d."

- b. reconstruction or structural improvements of the Board's premises generally, so far as war time circumstances allowed.

36. An account of these measures is contained in section 9 of the General Manager's Report for 1918, which is reproduced at Appendix B. It is rather detailed but for that very reason gives a better picture of the "Direct Control" scene and achievements than any present day summary or selection could hope to do, and many of the individual premises referred to have continued to this day, with subsequent reconstructions or other improvements.

DISINTERESTED MANAGEMENT

37. Disinterested management - which should be clearly distinguished from "uninterested management" - was the keystone of the Board's policy, and in the view of many, remained the main basis of and justification for the subsequent statutory State management scheme. In simple terms, it means a system which does nothing itself to encourage the sale of drink, and gives no financial inducement to its servants to do so - though, as practised by the Board and its successors, it aims to meet natural demands for drink and other refreshments in premises with a high standard of layout, comfort and other amenities. The concept was mainly reflected in the policy which the Board adopted at the outset of conducting its retail business through salaried managers, on terms "such as to make it to their financial advantage to push anything else but the sale of intoxicants" (General Manager's Report for 1918). But as the Report went on to emphasize "This does not imply that managers are encouraged.... to neglect the carrying on of their business ... If the trade in intoxicants goes down, the manager is not ipso facto commended. The falling off in receipts may be the result of the manager's carelessness in supervision or in his conduct of the house ... If a manager's stocks are continually bad he is personally warned, and if no improvement occurs his services are dispensed with."

38. Nor did disinterested management mean discouragement of drinking by charging high prices or reducing the strength and quality of the liquor - as the Board could have done in view of its virtual monopoly, at least in the "Original Area". Rowntree & Sherwell (p 59) refer to the high quality of the Board's fourpenny ale", and as regards bottled beer, record that "tested samples obtained from other places have shown that in some instances bottled beers sold at the Carlisle prices were only one-third as strong" as the Board's. (f17) In the case of spirits, the Board's price was 5d per glass less than the then authorised maximum price. Had these authors been writing some forty years later, they could have added that in 1960 the Consumer Association tested the products of 25 breweries, including most of the large national ones. In the three classes of mild, bitter and brown ale, the Carlisle brewery products were in each case placed among the best four on the basis of value for money (August 1960 issue of "Which?").

ORGANISATION OF THE "DIRECTLY CONTROLLED AREA"

39. Logically, this aspect should perhaps have been dealt with earlier, but it may suffice to record the feature which was basic both to the Board's regime and to the subsequent statutory State Management scheme: namely the exercise of local control, including control of staff and finance by a General Manager appointed by and responsible to the Board (subsequently the Home Secretary). The first General Manager who continued in the post until the introduction of "statutory" State Management, had, as noted earlier, previously been one of the Board's Assessors. The Board had its own Architect (Mr Harry Redfern FRIBA) who continued to be architect for the Carlisle and Scottish State Management Districts until his retirement in 1949 (when, as noted later, architectural services in Carlisle were taken over by the Home Office Architects' Branch, and in the Scottish Districts by their Scottish counterparts.)

LOCAL ADVISORY COMMITTEE

40. The Board was advised on matters affecting local interests by a Committee consisting of representatives appointed by the Board on the nomination of the county, municipal and licensing authorities, the Carlisle Trades Council, together with four members of the Board itself. The Local Advisory Committee also became an integral State management feature - with much the same composition, except that its membership became entirely local, with no representatives from "headquarters". The General Manager, or one of his senior staff, attended meetings, but was not a member of the Committee - nor its servant: the Committee's functions throughout were advisory only.

FINANCE

41. The capital sums required by the Board were advanced by the Exchequer. By 31 March 1918, the capital involved in the Carlisle undertaking amounted to just over £835,000, and, after provision for trading expenses, including staff, licence duty, rates or contributions in lieu thereof, and taxes, (f12) depreciation, etc. and for interest on outstanding compensation claims and Exchequer issues, a surplus of £107,392 had accrued to the Exchequer towards replacement of the capital cost. This was estimated to represent an annual return on capital of 10% or, taking into account the interest already provided for, a total annual return of 15% (Fourth Report of the Central Control Board, and General Manager's Report for 1918).

(f17) The Board had installed a bottling plant "of the most modern design" (General Manager's 1918 Report) at the Carlisle brewery, and a bottling machine for spirits at the Spirit Stores.

(f18) Like its State management successors, the Board was not subject to rates on most of its properties, but made fully equivalent contributions, and was not subject to and made no contributions in lieu of, Schedule D income tax. Any available annual surplus was however remitted in full to the Treasury.

THE SOCIAL RESULTS

42. "Direct Control" resulted, despite war time stringencies, in a significantly improved public house system; many premises were transformed; the beneficial influence extended even to some country hotels, and, to single out another aspect, the facilities for the sale of cheap and nourishing food to children whose mothers were at work were far in advance of their time. The citizens of Carlisle could also enjoy liquor of good quality at very reasonable prices and an equitable allocation of that which was in short supply.

43. The Central Control Board had not however intervened in order to make Carlisle the subject of a social experiment, however beneficial it might turn out to be, but to deal with a problem of abnormal drunkenness, and the acid test is how far it was successful in doing so. Convictions of drunkenness, like those of other offences, do not provide a complete picture - if only because of the number of incidents which do not come to notice at all, or for one reason or another are not the subject of proceedings. But they are in general the only statistics directly bearing on the matter and, particularly in the case of the same area, they are at the least a fair indication of trends over a period of years so long as account is taken of any relevant changes in other circumstances.

44. On this basis, a reasonably fair picture can be obtained from the annual statistics of convictions of drunkenness in Carlisle from 1913-1918 inclusive - i.e. covering a full pre-war year as well as the period of the influx of the Gretna navvies and munition workers, and about $2\frac{1}{2}$ years of "direct control". The figures are

		<u>Total</u>
1913		237
1914		275
1915 (first 9 months)	107)	
(last 3 months - coming of the navvies)	170)	277
1916 (first 6 months)	564)	
(last 6 months, start of "direct control")	389)	953
1917 (first 6 months)	229)	
(last 6 months)	91)	320
1918		80

45. Contemporary critics of the Board suggested that the progressive fall in convictions from June 1916 onwards was the result not of "direct control" but of a decrease in the number of Gretna workers. In fact, the number of constructional workers remained at its 1916 level until fairly well on in 1917, and thereafter there was still a large number of munitions workers living in Carlisle or using it as their centre; the police estimated this "additional population" to be about 13,000 (General Manager's Report for 1917, p 5). On the other hand, these workers were on the whole of a more skilled and responsible type, and the fall in convictions in the latter months of 1917, and in 1918 (when the convictions were the lowest in Carlisle's previous history) was probably also attributable to some extent to drink being in short supply. (See General Manager's Reports for 1917 and 1918; Carter, pp 225-7; and Rowntree & Sherwell, pp 53-5). But after full allowance for these and other imponderables, it seems difficult to dispute^{the} the action of the Central Control Board was a significant factor.

46. This was certainly the view of responsible people in Carlisle. At the Justices' annual licensing meeting in February 1918, the Mayor, after referring to the decrease in convictions in 1917 (and recognising that there had been a change in the character of Carlisle's floating population) said, "Any unprejudiced person must admit that the credit for this improvement was largely due to the effects of the work accomplished by the Central Control Board"; quoted at p 5 of the General Manager's Report for 1917, which also contains the latter's own description of the general improvement in the Carlisle scene;

"The improved condition of the streets, especially at night, is a fact which impresses itself upon residents and visitors alike ... the sight of a drunken person is very exceptional. Any person who lived in Carlisle through the years 1916 and 1917 will testify to the greatly increased order and quietness in the streets since the work of the Board began to take effect ... The disgraceful scenes of drunkenness and disorder that marred the hours from closing time to midnight, particularly on Saturdays, during the few months immediately preceding the advent of the Board, are no more. The crowds are orderly and restrained, and women can again go about the streets alone in safety."

47. In August 1919, against the background that sooner or later the Central Control Board would be going and that there would be new licensing legislation, the Carlisle Local Advisory Committee passed the following resolution.

"That having regard to the improvement in the conditions in this district under which every branch of the licensed trade is carried on, the advantages which have resulted to the public and the increased sobriety the Control Board be asked to urge upon the Government that whatever course is taken on the licensing system generally, the system of State Management, which has proved such a success in this area, be maintained, with adequate powers to complete and continue the work."

Similar resolutions were passed by the Local Advisory Committees in the two Scottish "direct control" areas.

FURTHER CONSIDERATION OF STATE PURCHASE

48. Before turning to the abolition (1921) of the Central Control Board and the transfer to the Home Secretary of responsibility for the Carlisle District, it should be recorded that in 1917 the Government, now headed by Lloyd George, again considered the question of State purchase on a national scale. In December 1916 the Central Control Board issued a Memorandum on State Control. (f19) The Memorandum said that although "the measure of success attained by the Board's Orders has been far greater than might have been anticipated from a policy of restriction unaccompanied by a fundamental reorganisation of the Trade", the efficient prosecution of the war was still being hampered by excessive consumption of intoxicants, and that the time had come when "comprehensive measures, beyond the Board's present powers, are necessary in order to complete the work of restriction and control which the Board were established to discharge". After dismissing as unnecessary and inappropriate the possibilities of more stringent restrictions, or complete prohibition, the Board came down in favour of direct and complete control by the State of the production and sale of liquor, which, the Board were satisfied, "would give the following important results:-

a. Strict observance of the law;

Published as a White Paper. Memorandum submitted to the Government in December 1916 by the Central Control Board (liquor Traffic); 1917 - 18 Cd. 8613, xxvi, 737.

- b. The elimination of all private profit in the sale of liquor;
- c. The immediate suppression of many thousands of redundant licences;
- d. The regulation of the quantity, quality and strength of liquor, facilitating the conservation of food supplies and the more economical use of transport;
- e. Extended facilities for the supply of food and non-alcoholic refreshment;
- f. The amalgamation and reorganisation on an economical basis of manufacturing and wholesale businesses;
- g. The release of a large number of men and women for work connected with the war."

49. In June 1917 the Government appointed a Liquor Trade Finance Committee for England and Wales, under the Chairmanship of Lord Sumner "to enquire into the terms upon which the interests concerned in the manufacture and supply of intoxicating liquor in England and Wales should be acquired, and the financial arrangements that should be made during the period of control prior to the acquisition of such interests, upon the assumption that the Government may be compelled, as an urgent war measure, to assume control of the manufacture and supply of intoxicating liquor during the war and the period of demobilisation, and as a result of taking such control to purchase after the war the interests concerned." Similar Committees were appointed for Scotland and Ireland. On this occasion, however, in contrast with 1915, State purchase was being considered not primarily to deal with drunkenness which was hampering the war effort (by mid-1917 this was no longer a major problem) but because the Government thought it might be necessary, for the more effective enforcement of restriction on the production of liquor in the interests of food supply, to assume detailed control of the brewing and allied industries. "Control meant large reductions in the number of breweries and licensed houses carrying on business; dilution in order to increase the liquid volume available; and diversion of portions of the available supply to munition and other areas where the war had created an excess of population over the normal. Control in its turn involved purchase. Control of the character contemplated destroyed goodwill and damaged plant to an extent which made it impossible to revert after control to the status quo ante. Mere compensation for control would be almost as expensive as purchase, and was uneconomic." (f20)

50. The Reports of the three Committees, prefaced by a comparative note and summaries, were published as a White Paper. ~~None~~ None of the Committees found "any point of financial deadlock or impracticability in a scheme of State purchase." The Sumner Committee estimated the cost of State purchase in England and Wales at £350m. This was £100m more than the estimate made by the 1915 Samuel Committee (paragraph 12 above) but, as explained by Rowntree & Sherwell (pp 67-8) - the latter writing from his knowledge as a member of the Committee - the Sumner Committee took account of or quantified certain interests not covered by the Samuel Committee. In the event, the Government found it possible to maintain the necessary restrictions on supplies without resorting to State purchase.

REPORT OF ENGLISH, SCOTCH AND IRISH COMMITTEES;
1918 CO. 9042, 15 xi, 145.

(f20) Confidential statement by the Home Secretary to the Sumner Committee on 3 July 1917. Copy in Home Office file 333204/47 in the Public Record Office.

TRANSFER OF THE CARLISLE DISTRICT TO THE HOME SECRETARY

51. Although the Central Control Board and its powers were designed as war time measures only, it was not until 1921 that legislation was passed to wind up the Board and deal with the Carlisle and Scottish "direct control areas". The delay was no doubt understandable in view of the urgent and difficult problems, on a national and international scale, facing the post war Coalition Government, but it is clear from the Board's papers (f21) that they felt that it put them in a very invidious position. The Government were asking them to soldier on until time could be found for legislation to deal in particular with the question of licensing hours - meanwhile the Board, rather than the Government, were incurring increasing odium for the continuance of the existing restrictions, though these had been slightly modified from their full war time rigour. One member suggested that the Board should force the Government's hand by giving notice that they would repeal all their restrictions - which would have meant, in the absence of new legislation, reverting to the pre-1914 licensing hours. In the end (and after Sir John Pedder, on behalf of the Board, had seen Bonar Law) they had a meeting in April 1921 with Lloyd George, who said many kind things about them and referred to Carlisle and public house improvement, but could hold out no prospect of legislation that year. On this occasion, however, Lloyd George was better than his word. A Licensing Bill was introduced in July 1921, and received Royal Assent as the Licensing Act 1921 a month later. LICENSING ACT, 1921 (1921 C. 5), C. 42.

52. The 1921 Act abolished the Central Control Board (s.15) and provided that "until Parliament otherwise determines" State Management of the liquor trade in the Carlisle district (f22) might be carried on by the Home Secretary, and in the Scottish districts by the Secretary for Scotland (as the Office was then designated). The districts were for the first time given the statutory designation of State Management Districts, and their boundaries defined. The Home and Scottish Secretaries were given, in the State Management Districts, the relevant powers which had been exercised by the Board, namely,

- a. By order to prohibit the sale by retail, or supply of intoxicating liquor in licensed premises or registered clubs by any person other than the Secretary of State.
- b. To establish and maintain, either by themselves or through any agent, refreshment rooms for the sale and supply of refreshments, including, if thought fit, intoxicating liquor.
- c. To acquire any licensed or other premises or any interest in them.
- d. To carry on in any premises occupied by them, without a justices' or excise licence, any business involving the sale or supply of intoxicating liquor, refreshments or tobacco.

→ since

(f21) HO 185/231 (Public Record Office). Altogether the Board seem to have had a not too happy time in their final months. The later papers in this set relate to a press leak by one of their members.

(f22) and also in the Enfield Lock district. As indicated earlier, this was wound up in 1922.

5. To appoint any person to carry on business on their behalf in such premises without a licence, but subject in other respects to the statutory provisions and restrictions relating to licensees.
6. To provide, on any premises in which business was carried on by the Secretaries of State or on their behalf, entertainment or recreation for persons frequenting the premises.

(Section 16, and Second and Third Schedules).

As regards 5. above, the power to acquire premises compulsorily was confined to the Carlisle District and was in fact never exercised.

53. The Act also provided that the Home and Scottish Secretaries should "appoint such persons as they think fit to act as local advisory committees for the purpose of assisting them in the management of the State Management Districts" and that pending any such appointments, the members of the existing committees should continue in office. The Act, and its successors, also required the Home and Scottish Secretaries to cause such accounts to be kept as the Treasury might direct, and to present to Parliament an annual report "as to their procedure in connection with the management" of the State Management Districts.

54. Section 18 of the Act had the effect that the "permitted hours" provisions applied to State management premises. This remained the position throughout. If therefore an extension of hours was required on a special occasion, application had to be made to the local justices under the provisions of the general licensing law. On the other hand, since State management premises did not require a justices' licence (paragraph 52(4) above), the Home Secretary did not need the consent of the licensing justices to the opening of new premises under managers employed by the scheme, or to the alteration, enlargement or reconstruction of existing ones. This did not apply however in the case of public houses let by the Scheme to tenants (see paragraph 132 below). The latter had to obtain justices' licences in the normal manner. The consent of the justices was also required for an occasional licence authorising State management to sell liquor on non-State management premises on the occasion of some special function eg Carlisle races, since the exemption from obtaining a licence applied only to premises "occupied" by the Secretary of State.

55. Most of the Second Reading Debate on the Bill for the 1921 Act was devoted to the provisions relating to "permitted hours" for the sale and supply of liquor in licensed premises and clubs - which were indeed the Bill's main theme - and the Bill's chief opponent, Horatio Bottomley, concentrated his attack on that aspect. He wanted a free for all. The Home Secretary, like his predecessor in 1915, took no part in the Debate, and the Attorney General (Sir Gordon - later Lord Chief Justice - Hewart) played the State Management provisions in a very minor key; "The plan contained in the Bill is stamped upon its face (referring to the words "Until Parliament otherwise determines") as a temporary and transitional plan ... I commend this plan ... as a suitable temporary method, at any rate, for dealing with that rather difficult problem". (f23) It was left to the Leader of the House (Austen Chamberlain) to strike a firmer note: "I cannot readily conceive ... that Parliament would under any conditions allow (the public houses in Carlisle) to revert to private management. I do not think public opinion would tolerate that; and certainly I myself, without saying it is desirable that they should remain permanently under the control of the Secretary of State ... should not like to see those houses which have been acquired by a public authority put back into the hands of private individuals. I think that would be a retrograde step". (f24)

Prince (f23) Mansard, 22 July 1921, Col. 2600
 144, H.C. DEB. 55. 22 July 1921, Col. 2800.
 1/2 (f24) Ibid. Cols. 2660-1

SUBSEQUENT HISTORY PERIOD 1921-49

56. In so far as there is a dividing line in the 50 years from the vesting of the Carlisle Scheme in the Home Secretary in 1921 to the Abolition Act of 1971, it is to be found not so much in the Second World War (which, in contrast with the First, had no repercussions peculiar to Carlisle or State Management generally) as in the reorganisation of central management which took place in 1950. This development coincided with the abortive extension of State Management to new towns, but would probably have occurred in any case.

57. The general lines of organisation and policy were settled, or confirmed, at the outset, and the period could be described as one of consolidation and steady if quiet progress. In the nature of things, there was neither the need nor, as a matter of practical politics, the scope for the novel and spectacular achievements of the first years of the Central Control Board. In the national field, despite the appointment of and report by a Royal Commission on Licensing (1929-31) the period saw no significant change in the licensing law generally and none in the law relating to State Management.

CENTRAL ORGANISATION - THE STATE MANAGEMENT DISTRICTS COUNCIL AND CENTRAL OFFICE

58. In the central administration of the Carlisle and Scottish State Management Districts, the Home Secretary and the Secretary of State for Scotland were advised by the State Management Districts Council, a non-statutory body which was appointed by the Secretaries of State on the coming into force of the Licensing Act 1921, and the central administrative and executive work was carried on by a small staff at the "State Management Districts Central Office" in London, the head of which also acted as Secretary to the State Management Districts Council. The Architect for the Carlisle and Scottish Districts was attached to this Office. The Council (but not the Central Office, which was wound up in 1950) continued until the abolition of State Management. The Secretaries of State and, at the outset, the Parliamentary Under Secretary of State, Home Office were Joint Presidents, but the working nucleus of the Council as first established, and for some time thereafter, consisted of the following members: Sir John Pedder, KBE, CB; (Home Office); Mr P J Rose, CB; (Scottish Office); Sir William Waters Butler; Mr (later Sir) Sydney Nevile, Sir John Sykes, KCB, and Sir William Towle, all of whom except Mr Rose had been members or, in the case of Sir John Sykes, Secretary, of the Central Control Board. Sir William Towle, whose special expertise was in hotel management, died in 1929, and the late Sir John Pedder retired from the Home Office and from the Council in 1932. The late Mr Rose remained a member until 1954, Sir John Sykes until his death in 1950, and the late Sir Sydney Nevile until his retirement in 1954.

59. With the vital qualification that ultimate responsibility for all that was done or not done in the Carlisle District rested with the Home Secretary, and as regards the Scottish Districts with the Secretary of State for Scotland (f25) the State Management Districts Council, though in form advisory only, was in practice comparable with a Board of Directors as regards the nature and scope of the matters that were submitted to them via the Central Office, and in the sense that the Council's advice was normally the equivalent of an executive decision, with which the Home Secretary or Secretary of State for Scotland would not as a rule be troubled unless the matter was one of special importance or potential controversy. And, since the Council was serviced, and its decisions implemented by or through the Central Office, it followed that until the 1950 reorganisation, officials of the Home Office and the Scottish Home Department, except for those senior officers who

(f25) In contrast with the position of Ministers ultimately responsible for present day nationalised industries, the Home Secretary and the Secretary of State for Scotland could be questioned in Parliament about matters of day to day management.

were members of the Council, had little direct contact with the Districts, nor any direct responsibility for questions of organisation, staffing, finance and the like.

POLICY

60. Carlisle no longer had any special problem of drunkenness, and State Management was not called on to emulate the zeal or the scale of the Central Control Board's activities in the latter's heyday of 1916-17. Moreover, whereas in law the Home Secretary's State Management powers were equivalent to the Board's (paragraph 52 above) it soon became apparent that in practice he would not have as free a hand in at least one important respect. It had been accepted at the outset that the Board must be free to acquire licensed premises on any scale which it thought necessary for its purposes amounting, in the "original" Carlisle area (paragraph 26 above), to a virtual monopoly. Hence, when the Board wanted to acquire any particular premises it could go ahead in the knowledge that the money would be forthcoming from the Exchequer, subject only to Treasury endorsement of the recommendation of the Board's valuer as to price.

61. After 1921, however, the cost of running the Carlisle and Scottish schemes was borne annually on a Parliamentary Vote, like other expenditure of Government Departments. Since the Schemes more than paid their way, the Vote was a token one of £100, but this was enough, and indeed was designed, to ensure that the normal Voting and accounting procedure applied: in particular that each year fairly detailed estimates of expenditure for the following financial year had to be cleared with the Treasury. In 1921-22 the Home Office had understood, both from statements made by Government spokesmen during the Committee Stage of the 1921 Licensing Bill, and from discussions with the Treasury, that it had been accepted that "statutory" State management also involved a monopoly, or that, at the least, the State should be as free as any commercial enterprise to expand its business within the area under its control; and the three "expert" members of the State Management Districts Council (Sir W W Butler, Mr S O Neville and Sir W Towle) had agreed to serve on the understanding that the Carlisle and Scottish undertakings would be run on sound commercial principles. Against this background, the Home Office asked for £100,000 to be included in the estimates for the financial year 1922-3 to "round off the ragged edges of the Carlisle area" (ie to extend the monopoly to the Maryport and south-western area) but this was refused by the Treasury as was - despite a strong letter of protest - a revised bid for £25,000, with the more modest aim of enabling the Scheme to take advantage of any favourable opportunities of acquiring a few premises by agreement. (f 26)

62. These decisions did not, as it was feared at the time that they might, prevent State management from remaining economically viable, nor was expenditure on acquisition of premises ruled out for all time (to mention but one example, the Scheme, which already had two hotels at Silloth, on the Solway Firth, was able in 1937 to purchase a further one which had come on the market). But it seems fair to say that the 1922 decisions set the subsequent tone in two respects. Any prospect of completion of the monopoly, at any rate by way of compulsory purchase, was tacitly abandoned. Secondly, it had to be accepted that the Scheme had not the same freedom of manoeuvre as a purely commercial undertaking would have, and this, together with the Scheme's legal inability to sell liquor, let alone acquire premises, outside the District, offset to some extent its statutory privileges of freedom from control by the licensing justices, and of being able to prohibit the establishment of any new retail licensed business by others.

Home Office file 422901 (Public Record Office).

63. In short, the post 1921 State Management Scheme did not need to operate as a sort of counter offensive against drunkenness, nor was it in practice free to take the full commercial advantages that could have been open to it even within the principles of disinterested management. Against this background, the Scheme continued to build and, it could claim, embellish on the foundations laid by the Central Board, but did not open any completely new wings, and its general object, as stated by Sir John Sykes in his written evidence to the Royal Commission on Licensing (#27) was "to conduct the supply of liquor in such a way as to meet the public under the best possible conditions, and to assist in the prevention of excess and the promotion of sobriety". Or, as a leading citizen of Carlisle saw it, the aim was "The provision of reasonable facilities for ... decent drink under comfortable circumstances at reasonable prices ... with the ultimate object of trying to make Carlisle a temperate community and, I hope, other places too." (#28).

64. As regards the methods employed to attain this object, Sir John Sykes singled out the closing of superfluous houses and the improvement of the remainder, the adoption of the principles of disinterested management, and the provision of food and non-alcoholic refreshments in public houses, and also drew attention to the recreational facilities, such as billiard tables and bowling greens, provided at some of the houses. In the case of the Scheme's hotels "the object is to maintain a high standard of service for the travelling public" by "modernisation ... and the provision of attractive and comfortable accommodation."

65. Public house improvement was not unique to the Scheme. The policy of "fewer and better" (a phrase coined in the 1918 Carlisle Report of Sir Edgar Sanders, who in 1932 became the first Director of the Brewers' Society) was being followed by the leading brewery firms (two of which, as previously indicated, provided distinguished members of the State Management Districts Council). On the whole, however, this improvement seems, during the inter-war period, to have been concentrated mainly in the more prosperous areas of the country or in large new housing estates, whereas the Scheme carried it out in an area which was not doing very well economically - indeed West Cumberland was for much of the time a "depressed area" with a distressingly high rate of unemployment. As the Royal Commission on Licensing put it, in Chapter XIII of their Report, relating to the Carlisle Scheme and public ownership, "We doubt whether, anywhere else in the country, so uniformly high a standard has been reached". There was perhaps also a certain uniformity of basic design and layout (common to pubs in general, even improved ones) but lighter and imaginative touches were not lacking. Thus the architecture of "The Crescent" in Carlisle (constructed in the early '30s) has a Moorish appearance which may or may not be to everyone's taste, but was original for its time and area, and it and "The Cumberland" carried on their interior walls verses from Robert Burns and Omar Khayam of a character appropriate to an inn, if not altogether consistent with the full rigour of disinterested management. Nor were the principles of disinterested management allowed to inhibit the design and display of attractive inn signs, and a number of the signs (including several designed and executed by one of the Carlisle staff) were displayed at a national exhibition of signs held in London in 1937. There was also a sufficient variety and style in the names of the public houses: "Horse & Farrier"; "Magpie"; "Miners' Arms"; "Blue Bell" are a few examples. The only overt link, so far as names were concerned, with the special status of Carlisle pubs was to be found in "The Board Inn" - situated appropriately opposite the General Manager's offices.

ROOME (#27) LICENSING (ENGLAND & WALES) R. COM. MINS OF EV, 1929-30, NON-PARL., 29 APRIL 1930, P. 1001, PARAGRAPH 20 OF 1919F.

NSH (#27) Evidence to the Commission on behalf of the Local Advisory Committee by the late Mr J R Potts OBE, who was a member of the Committee from 1922, Chairman from 1946-67, and a member of the State Management Districts Council from 1950-67. (Minutes of Evidence, 23 May 1930, 22990-1). (op. cit., 23 MAY 1930, P. 1142, 22990-1).

66. In continuation of Central Control Board practice, some public houses had bars for women only: an institution which even at that time, attracted unfavourable comment as well as curiosity on the part of visitors to Carlisle. Mr Potts, in the course of his evidence to the Royal Commission referred to in paragraph 63 above, said that "It has got to the stage that the women begin to look upon themselves as a menagerie for exhibition by everybody" (Minutes of Evidence, 23 May 1930, 23,028). It seems fair to say, however, that, as was recognised in other parts of that evidence, the motive was not sex segregation. In those days there was an unwritten convention in the area against women entering the ordinary public bars - or at least an attitude that no respectable woman should be seen to do so: if she wanted a drink, the place for her was the "smoke room" (saloon bar) which meant that, if she went on her own, she had to pay the higher "smoke room" prices. So the justification for the women's bars was that women could thereby enjoy the same right as men to get drink and other refreshments at public bar prices. Over the years, attitudes have changed in Carlisle as elsewhere, and the Scheme's modern houses had no single sex bars.

67. As regards recreational facilities, the bowling greens referred to in Sir John Sykes' evidence to the Royal Commission (paragraph 64 above) became a feature of some of the public houses in new housing estates or in country districts - eventually 13 in all, and a State Management Bowling League was established. Two of the houses had putting greens. Indoors, apart from those houses which had billiard tables, and facilities for dancing (the Gretna Tavern, where there was an orchestra on Friday and Saturday evenings) and radio sets in a few houses, facilities were in the main confined to the provision of dominoes, draughts and the like - in, it may be added, a rather paternalistic manner. Because gaming in licensed premises was an offence, and there had been prosecutions for playing dominoes for money, the Carlisle public house managers were authorised to take away all draughts and dominoes from players when the houses were so full as to make effective supervision impossible. And darts were conspicuous by their absence during this period: they did not come into their own until the early '50s.

BREWING ETC

68. The Central Control Board had taken over five breweries: four in Carlisle and one in Maryport. Brewing for the whole of the Carlisle State Management District was in due course concentrated at one brewery - "The Old Brewery" - at Carlisle, which was enlarged and modernised. The "New Brewery", some 300 yards away, was adapted as a maltings (among other advantages, this removed a source of infection to the beer) and to house the brewery lorries: the Scheme used its own vehicles for deliveries to its houses and for any "free trade" - ie sales to any clubs or the like which took the State Management beer. The commercial management of the brewery was, subject to the overall control of the General Manager, the responsibility of the Brewery Manager, and the brewing side as such the responsibility of the Head Brewer. The undertaking was advised by a brewing consultant who, during the period in question and for many years thereafter, was Mr E R Moritz, Scientific Adviser to the Brewers' Society. In addition to his periodic inspections of the brewery, he was sent samples of beer every week for testing and "forcing" and periodic samples of malt and hops. He also prepared periodic reports on all aspects of the brewery and its products for consideration by the State Management Districts Council. As the undertaking was too far away from any corn exchange for the direct purchases of barley, it employed as its agent the head malster of a leading London brewery.

69. Three staple type of ^{draught} ~~draught~~ beer were produced which, over most of the inter-war period, cost 5d, 6d and 7d a pint (public bar prices (F 27)). In addition, a special type of beer, to suit Scottish taste, was produced for the public houses of the Gretna State Management District. It was firm policy and practice that the gravity of the Carlisle beers should be not less than the highest gravity given by any commercial brewery in that part of the country for the same retail price.

70. Except for one or two houses (eg the "Friars' Tavern" where draught Bass was on sale) the only draught beers available were those of the Carlisle brewery (corresponding to the practice of private enterprise brewers) but the leading national brands of bottled beers and stouts were available in any houses where there was a demand for them (most were bought in casks and bottled in the Scheme's bottling stores). This represented a liberalisation of the pre-State Management practice under which the commercial breweries in Carlisle had by and large restricted the sale of "national" bottled beers to houses where there was a so-called "better class of trade".

WINES AND SPIRITS

71. Nearly all wines were brought direct from shippers, and, except for those which were necessarily bought in bottle, were bottled at the wholesale Wine and Spirits store, which also blended the Scheme's own proprietary brand of whisky "Border Blend" and a cheaper whisky of lower strength, and bottled two brandies of different strengths which were bought in bulk, and Demerara and Jamaica rums. The leading proprietary brands of spirits, bought at wholesale rates by the Manager of the Wine and Spirits Stores, who was also responsible for the bottling and blending operations, were allowed to compete freely in the Carlisle public houses with the Scheme's own blends.

SUPERVISION OF THE HOUSES

72. The Superintendent of Managed Houses was responsible for the maintenance of good order in the houses; for their upkeep and maintenance as regards repairs and decoration (on which he called on the services of the Works Department), for the staff of the houses including recommending persons for vacancies and promotions; for the correctness of stocks and cash, and generally for supervising the retail trading conditions (except for the hotel and restaurant sides, which were the responsibility of the Catering Superintendent - later Superintendent of Hotels and Restaurants); reporting weak spots, and recommending measures necessary to keep pace with changing conditions. The Superintendent was also responsible for organising the rounds of the Inspectors (every house was inspected once a fortnight; in addition there were mid-week night inspections of groups of houses and special week-end night inspections of the houses in the city of Carlisle), studying their reports and supervising their efficiency.

73. The local Advisory Committee which, as indicated in paragraphs 40 and 50 above, was first established by the Central Control Board and subsequently given statutory status, had a significant and invaluable role throughout the history of the Scheme. In addition to representatives of the authorities and bodies mentioned in paragraph 40 - local authorities and licensing justices in the District and the Carlisle Trades Council - the Committee included three members appointed by the Home Secretary, two representing social welfare bodies and one representing the religious denominations. For much of the time the latter was a Free Church minister; in the last years of the Scheme he was a Roman Catholic priest. The Hon Secretary of the Committee, like the body itself, was completely independent of the Scheme. For a considerable period, the post was held by the Carlisle Justices' Clerk. In the later years of the Scheme - from 1963

reference →
(F 29) For a while in the mid-thirties, a beer was also on sale at 4d a pint - mainly for the benefit of the West Cumberland area, where money was then very short.
insert 1/2

to the dissolution of the Committee in 1973 - the Hon Secretary was Mr Ernest Long CBE, a local resident who, after a distinguished career in local government service, had been a member of the Central Electricity Council.

74. The General Manager of the Scheme attended meetings of the Committee - held usually at monthly intervals - and spoke to any items included in the agenda at his request. It was also his duty to explain the effect, from the management point of view, of any proposals of which notice had been given by members, and where necessary, to represent the views of the Secretary of State with regard to any questions affecting policy which might arise during discussion. At the conclusion of the formal items on the agenda, there was usually a question time, when any detailed points with regard to the management of the Scheme could be brought to the General Manager's notice. Mr Potts in his evidence to the Royal Commission said that "no reasonable complaint goes unremedied". Apart from formal meetings of Committee, most of the members made a practice of calling at the General Manager's office from time to time to discuss either the general working of the Scheme or particular problems.

75. So the Scheme was not just a matter of the gentleman in Whitehall knowing best; the Committee ensured that the management was in close and constant touch with and sensitive to local opinion. And, as indicated later, on such important matters as the grant of the Secretary of State's authority for the sale or supply of liquor by outside bodies or persons, the Committee's advice was always sought and usually acted on. Nor would a new State pub be opened, or an existing one closed, without consulting the Committee, and on more than one occasion the Committee secured a reprieve for a house which was not paying its way, but in their opinion was meeting a public need. The Committee also advised on the allocation to local voluntary organisations and charities of the annual contribution which the Scheme made available for charitable purposes. For many years this stood at £200: in the mid sixties it was raised to £300 and after consultation between the Hon Secretary and the Home Office the final contribution (1973) was £500.

RESTRICTIONS ON THE SALE OR SUPPLY OF LIQUOR BY OTHERS

76. Among the previous powers of the Central Control Board which the 1921 Act conferred on the Home Secretary was the power by order to prohibit the retail sale or supply of liquor in licensed premises or registered clubs by any other persons (paragraph 52(1) above). Under an order dated 29 November 1921 (S R & O 1921, No 1827) the sale or supply of liquor was prohibited except for (a) any premises licensed or any club registered (for the supply of liquor to members or their guests) on or before 12 February 1920 (the date of a previous similar order of the Central Control Board) or (b) any licensed premises or club in which the sale or supply of liquor was or might be carried on under the written authority of the Home Secretary and in accordance with any conditions specified in that authority.

77. The underlying philosophy was that Parliament, by the 1921 Act, had given the Home Secretary the overall responsibility for the drink trade in the Carlisle District, with the corollary that the Home Secretary was answerable to Parliament, in a way in which he was not as regards any other part of the country, for any developments, for good or ill, which could be attributed directly or indirectly to the manner and scale on which the trade was being conducted. For this responsibility to be effective and the answerability to be more than a matter of form it was not sufficient to leave matters to the controls of ordinary licensing law. The Home Secretary must be able to ensure that no new retail liquor business, whether in hotel, public houses or off licence shop, would be established without his consent - and in fact for the whole of the inter war period and for some years thereafter no such consent was given.

78. Theoretically, there should have been no need or justification for similar powers of control over registered clubs, where the supply of liquor was intended by the law to be confined to members and their guests, with no sale to the general public. However under the licensing law as it stood (and remained for a further 40 years until the Licensing Act 1961) the registration of a club, ie its authorisation to supply liquor was a mere formality. The law provided no effective means of checking that the establishment was a genuine members' club with some bona fide object, and no effective sanctions against abuses once the club had been registered. It was therefore considered that, unless the 1921 order applied to clubs as well as licensed premises, new clubs would be able to multiply at will, either on their own initiative or with encouragement from outside organisations and traders (including perhaps some who had been refused permission to open a public house) under such conditions and to such an extent as to vitiate the Home Secretary's overall control.

79. At the time of the 1921 Order, there were in the Carlisle District as a whole 11 existing registered clubs, which did not therefore require the Home Secretary's authority for the supply of liquor. For the rest, the Order was not operated, as it was in the case of licensed premises, so as to ban completely any new outlets, though more applications were refused than granted. During the 30 years from the 1921 Order to the adoption of a somewhat more liberal policy, described later, at the beginning of the '50s, out of 34 applications in all, 20 were refused.

80. Club applications were considered in the first instance by the Local Advisory Committee. The Committee's recommendations were in turn considered by the State Management Districts Council. In every case during the period in question the Committee's recommendations were endorsed by the Council, and accepted by the Home Secretary. In dealing with applications, the main considerations in the mind of the Local Advisory Committee were the bona fides of the club and - if this requirement seemed to be satisfied - whether, having regard to existing facilities including both clubs and licensed premises, there was a genuine need for the supply of intoxicating liquor. Where the Home Secretary's authority was granted, it was - until the change of policy referred to in paragraph 79 above - invariably made subject to conditions. In the course of time, the following became more or less standard ones.

- a. The permitted hours for the supply and consumption of liquor to be the same as those fixed for licensed premises in the city of Carlisle (under the normal licensing law, clubs have discretion to fix their own hours within certain limits).
- b. No commission on liquor supplied in the club to be paid to or received by any officer or servant of the club.
- c. No undercutting of neighbouring licensed premises in the prices charged for liquor.
- d. No intoxicating liquor to be supplied for consumption off the premises.
- e. No intoxicating liquor to be supplied to persons under 18 (The restrictions of the general law in this respect (of paragraph 33 above) apply only to the sale of liquor in licensed premises: they do not bite on the supply of liquor in clubs).

Three clubs in Carlisle were also subject to police inspection - a thing quite outside the normal law, but volunteered by these particular clubs when applying for the Home Secretary's authority.

FINANCE

81. As mentioned earlier (paragraph 41 above) the Scheme's capital was originally provided by advances from the Exchequer, which reached their maximum in the earlier

years, when heavy drawings had to be made for the acquisition of licensed premises and other fixed assets. Thereafter, an increasing proportion of the advances was repaid with interest out of the annual profits and in the course of the financial year 1927-8 the process was completed and the Exchequer issues finally repaid in respect of both Carlisle and the two Scottish Districts. This raised the question of the form in which the annual accounts required by the 1921 Act should be presented in future. There was nothing corresponding to the subscribed capital of an ordinary commercial company (whose accounts those of the Schemes were intended to resemble, so far as the different conditions made this possible) but the Public Accounts Committee expressed the desire that a figure, even if it were an arbitrary one, should be included in the accounts to represent approximately the capital originally put into the undertakings. After consultation with the Treasury, the figure of £732,000 for the three Schemes as a whole, and of £593,000 for Carlisle, were included in the accounts for 1929 onwards as the "capital account". The £732,000 represented the maximum amount of Exchequer advances outstanding at the end of any financial year, together with compensation liability outstanding at the same date (31 March 1919) less the amount resulting from the sale of capital assets in the Carlisle District in subsequent years. Carlisle's £593,000 was arrived at by a process of allocating the £732,000 to the three Districts in proportion to the net assets of each (f 30)

82. While these somewhat esoteric figures may have satisfied accounting proprieties they were not otherwise very significant. The questions: what was the real financial value of the undertaking and was it as profitable as it could and should have been, were among the issues arising on the 1971 Abolition Act, and are discussed later on in that context. Meanwhile, it may suffice to say that, by and large, and subject to certain developments to be recorded in connection with the last few years of the Scheme's history, rises and falls in annual profits seem to have been mainly linked or at least coincident with changes in the local and national economic situation. This certainly seems to have been the case during the inter-war period, when annual profits, which were £55,000 in 1929 the last year before the onset of the economic depression of the early and mid '30s, fell to £36,000 in 1933, but by 1939 had risen to £70,000.

OTHER DEVELOPMENTS

83. In the 1920s, there were some unsuccessful attempts at Private Member legislation in both Houses, on the one hand to extend State Management, and on the other hand, to abolish it. There was a Departmental Committee on Disinterested Management which reported in 1927, the Royal Commission on Licensing 1929-31, already referred to, and the organisation of the State Management Districts was examined in 1936 by the House of Commons Select Committee on Estimates. It is, however, no disrespect to these bodies to say that they were little more than noises off so far as State management was concerned, since there were no resulting changes in its extent, policy or organisation. (The conclusions of the Royal Commission were however later prayed in aid by both Government and Opposition in connection with the abortive extension of State management to new towns in 1949.)

SOUTHBOROUGH COMMITTEE ON DISINTERESTED MANAGEMENT

84. The Committee, under the Chairmanship of Lord Southborough, was appointed by the Home Secretary in 1925, "to consider the several systems of disinterested management of public houses which have been put into practice, whether in connection with private enterprise or otherwise, and to report whether the experience already gained affords ground for the development of any such system by an amendment of the licensing laws".

REFERENCE (f 30) See State Management Districts: Annual Report for the year ended 31 March 1929;
1929-30 (17) x 1, 577.
INSERT 1/2

The Committee reported in 1927¹ // In the private enterprise field, the Committee commented favourably on the achievements of the Public House Trust Companies, but noted that these had not on the whole extended into the urban or poorer areas, and that the possibilities of such extensions were limited by lack of capital. The Committee regarded itself (mistakenly one would have thought) debarred by its terms of reference from considering a scheme of licensing reform fundamental enough to further effectively a system of disinterested management under private enterprise, and confined itself to some tentative recommendations designed to facilitate approval by the licensing authorities of plans for public house improvement.

85. In the state management field, the Committee, which visited Carlisle and Gretna and heard witnesses from all three Districts, felt that the most important aspect of the Schemes, in their post-war development, was that they provided an unfettered opportunity for making and testing experiments in public house improvement. The Committee's somewhat non-committal conclusion was that while a case had not been established for an extension of the Schemes to any other area it would not be justifiable to terminate them "at this stage...they should be continued... until such time as it is possible to make a more final estimate of the results which have been achieved."

ROYAL COMMISSIONS ON LICENSING 1929-31

86. Under the 1929 Labour Government, Royal Commissions on Licensing were appointed for England and Wales, and for Scotland. They reached opposing conclusions on the question of State management. The majority and minority Reports of the Scottish Commission both recommended the discontinuance of the Scottish schemes "which cut right across the Scottish licensing system" (f 31). The Commission for England and Wales, on the other hand, recommended (Chapter XII of their Report) that public ownership should not only be continued in Carlisle but "applied elsewhere in circumstances which will submit the system to a further test both in a social and in a financial sense". (f 32)

87. This recommendation accorded with the favourable view which the Commission formed of the Carlisle undertaking (some of the members, eg Rev Henry Carter, Mr Arthur Sherwell and Dr J J Mallon, would have been well disposed in advance). The Commission's tribute to the standard of the Carlisle public houses has already been quoted (paragraph 65 above). They also said "It is, we think, significant that in the opinion of many, including citizens of Carlisle who appeared before

1/2" SPACE
INSET 1/2"

(f 31) The Scottish schemes could not win so far as the Commission were concerned. The Majority Report recorded the impression of "those who visited the various parts of the Annan district" that "with perhaps one exception" the standard of the houses was no better than they would have expected from private enterprise "under similar conditions elsewhere". The Minority Report, on the other hand, complained that "Sports facilities, resulting from the profits.... are attached to the (State) public houses and create a dangerous contact for young people". LICENSING (SCOTLAND). R. COM. REP., 1930-31 CMD. 3594, X, 423.

(f 32) There were three minority reports by single members. One recommended public ownership on a national scale, the two others were opposed to any extension of it, and two further members while signing the Majority Report entered reservations to a similar effect. LICENSING (ENGLAND & WALES). R. COM. REP., 1931-32. CMD. 3988, XI, 573.

us as witnesses (f 33) the amenities provided in the public houses in Carlisle have created or stimulated a demand amongst the consumers for better conditions in their houses. As regards the effect on drinking habits the Commission expressed the view that "the improvement in premises has helped towards the elimination of excess". The Commission had "no hesitation" in taking the view that the undertaking had been a financial success: good business management had contributed in no small measure to this result.

88. On the question of public ownership as such, the Commission thought that "it is likely to reduce excess, while meeting the requirements of the moderate consumer" and that "monopoly under public ownership is likely to effect a much more rapid development in the policy of public house improvement than is probable, or indeed possible, under the existing system." They assumed, however, that State purchase on a national scale was out of the question on financial grounds - a view influenced by the economic circumstances of the time.

89. For the further local test of public ownership which they recommended (paragraph 86 above) the Commission suggested that an area in which there was a superfluity of licences would be appropriate. They did not specify one, as they contemplated that selection of a suitable area or areas would be one of the responsibilities of the "National Licensing Commission" which they recommended should be established with a view to stimulating reduction and improvement of licensed premises, and improving licensing administration generally. The "National Commission" would not however be responsible for running the public ownership areas; nor, in the Commission's view, should these (including Carlisle) be subject to the existing State Management set up; management should be removed further from direct State and Treasury control by making it the responsibility of an independent Board of Management appointed by the Government on the advice of the Home Secretary which would be primarily a commercial body, though the element of social welfare should be developed in its composition.

90. In making this recommendation, which seemed to point towards something comparable in organisation, though not scale, with the later nationalised industries, the Commission may have had in mind not only the desirability of more freedom of commercial and financial manoeuvre than the existing system appeared to allow (of paragraph 62 above) but also the apprehensions expressed in the evidence given by Sir Edgar Sanders (f 34) that direct State control on a wider scale might result in service to the customer degenerating into a "take it or leave it" attitude and also lead to the risk of the management becoming a political issue. The questions whether these apprehensions were well founded, and whether the advantages foreseen by the set up proposed by the Commission would in fact have been realised, are now just about as academic as they could be (though some people might think that there is room for speculation whether a nationalised industry or other quasi public corporation is always and necessarily more sensitive to the needs and feelings of the public than is a Government Department). What can be asserted with some confidence is that an "independent board of Management" would have presented little advantage over the existing State Management system so far as Carlisle alone was concerned. Even on the assumption that State control as such is soulless control, as Sir Edgar Sanders seemed to think, the Carlisle scheme, as he went on to say in the passage referred to above, had not been of sufficient size and importance to warrant it getting the upper hand. And so far as other aspects

1/2 "SANCIE" →
(f 33) Probably a reference to the evidence of Mr J R Potts (~~Minutes of Evidence, 23 May 1930, 23,009-11~~). (ep. cit., 23 MAY 1930, p. 192, 23009-11).

INSET 1/2 ←
(f 34) Paragraph 21 of his written evidence, ~~printed in the Minutes of Evidence of 30 April 1930 ep. cit., 30 APRIL 1930, p. 1043, 20033~~).

of management were concerned the brewer members of the State Management District Council contributed freely (in every sense) an expertise which could hardly have been exceeded, if matched, by an independent Board of management, but under the latter would have called for the payment of fairly substantial salaries or fees.

91. The Commission also recommended that the Carlisle scheme should own all the licensed premises within the statutory district, and none outside it - i.e. that on the one hand the monopoly should be extended to the Maryport and West Cumberland area, and on the other that the Scheme should dispose of the dozen or so houses (including a hotel at Workington) outside the statutory area which had fallen into the lap of the Central Control Board when it acquired the various breweries, and had remained under State Management notwithstanding the statutory delimitation of the District in the 1921 Act. This, like the Commission's other recommendations, remained unimplemented.

REPORT OF THE SELECT COMMITTEE ON ESTIMATES 1936 (PARLIAMENTARY PAPER 130)

92. The Committee's main proposal was that the Carlisle General Manager should also be in charge of the Scottish Districts. As might have been expected, this was unacceptable to opinion in the latter and the Treasury concurred in the view of the Home and Scottish Offices that the existing system "which has worked and is working well" should be maintained (Treasury Minute of 14 December 1936).

SECOND WORLD WAR

93. As noted earlier (paragraph 56 above) there was nothing in the way of a landmark in State Management history. Wartime influxes of population and increased spending power were reflected in the annual profits, which in the financial year 1943-4 reached a hitherto all time high of over £198,000, (nearly three times the highest, and over five times the lowest pre-war figures). There were, however, as in the country as a whole, no significant problems of drunkenness and no need for any special measures on the part of the Scheme or for its extension to other parts of the Country. In view of the vastly superior provision compared with the First World War of canteen and similar facilities (works canteens, British restaurants and the like) it did not fall to the Scheme, as it had to the Central Control, to give a special lead in this field. A recommendation in 1943 by the Local Advisory Committee that the Scheme should establish a Milk Bar for the accommodation of members of the Forces of both sexes was thoroughly gone into by the State Management Districts Council, but not implemented on the ground that no real need had been established for additional facilities of this kind, and that to provide them (assuming that the necessary catering and other permits could have been obtained) would have been an uneconomic diversion of resources.

94. The war put a stop to new buildings and major reconstruction of the Carlisle public houses, which during much of the pre-war period had been running at an average of three or four a year. The building of one new house, with bowling green attached, which was in progress at the outbreak of the war was completed, and the house opened to the public in September 1940. At the instance of the Local Advisory Committee, the house was named the "Redfern Inn", after the Scheme's Architect. To provide for the time when new building and reconstruction could be resumed, annual allocations in the region of £20,000 were made to the Reserves from profits for improvements to properties and deferred repairs. In the latter part of the war, plans for a post-war programme of improvements were formulated, and a site acquired for a modern

public house, with bowling green, on a housing estate at Maryport. Shortage of supplies of liquor, particularly spirits, were a feature of the later years of the Second, as of the First World War, but it was on the whole possible for the Scheme to spread out its supplies without curtailing the opening hours.

95. The war period also saw, coincidentally, some changes in the membership of the State Management Districts Council. Following the death of Sir William Waters Butler, Mr (later Sir) Edwin Venner, a member of another leading brewery firm, was appointed in June 1940, Mr (later Sir) Isaac Hayward, leader of the London County Council, was appointed in 1942, and in 1945 the Council's first woman member, Mrs Margaret Walkden JP, was appointed. The Chairmanship of the Council, which from the retirement of Sir John Pedder in 1932 to the outbreak of war, had been vested in Sir Alexander Maxwell, Deputy and later Permanent Under Secretary of State, Home Office, was undertaken during the war by Mr (later Sir) Robert Bannatyne, an Assistant Under Secretary of State. During the war the Council, which had previously held its meetings in London, met from time to time in Carlisle and the practice was subsequently established of holding one of the quarterly meetings each year there and another in Gretna and Cromarty in alternate years.

PERIOD 1950-71

LICENSING (ACQUISITION OF STATE MANAGEMENT) ACT, 1971 C. 65

96. The noteworthy features of this period up to the 1971 Abolition Act, can be described as the abortive extension of State management to New Towns 1949-51 in so far as it affected Carlisle; the reorganisation of central management in 1950; the renewed progress in public house improvement; the "collar on the pint" episode of the late 1950s; the effects of the Licensing Act 1961 on registered clubs and private enterprise hotels and restaurants; and the move towards tenanted houses during the last few years of the Scheme.

9410 15/12.2, C. 61

STATE MANAGEMENT IN NEW TOWNS

9410 6/50.6, C. 68

97. Part I of the Licensing Act 1949 (f35) extended State management to all new towns in Great Britain established or to be established under the New Towns Act 1946. As the Act made clear, this was to be State management as carried on in the existing Districts by the Home Secretary and the Secretary of State for Scotland; there was no proposal for any new form of management, such as the "Independent Board" which had been suggested by the Royal Commission (paragraph 89) and the Home Secretary (Mr Chuter Ede) said at Second Reading that no new State management powers were conferred on the Secretaries of State except that the Home Secretary was given a power, which the Secretary of State for Scotland already possessed, to delegate the signing of certain documents to an Under Secretary of State (f36).

98. In moving the Second Reading of the Bill, the Home Secretary did not refer to the principles of disinterested management (they were touched on by the Leader of the House, Mr Herbert Morrison, in winding up). His case was that, in the special circumstances of the new towns, State management was the only satisfactory method of ensuring the proper planning and provision of the best type of licensed facilities. Government spokesmen also referred to the recommendations of the Royal Commission - to which the Opposition retorted that the Scottish Commission had recommended the discontinuance of State Management, and the English Commission,

1/2 "SINGLE" →
(f35) LICENSING ACT, 12 & 13 GEO. 6, C. 59.

The remainder of the Act contained some miscellaneous amendments of the general licensing law, notably provisions allowing the sale of liquor up to 2 a.m. in certain types of premises as an ancillary to music meals and dancing.

(f36) 459 H.C. DEB. 5s, 14 DEC. 1948, COL. 1038. (In fact the Secretary of State for Scotland who, unlike the Home Secretary, had no powers of compulsory acquisition under the Licensing Act 1921, was given them by the 1949 Act).

while recommending its extension on an experimental basis, had contemplated an area with a superfluity of licences - which was at least one problem with which the new towns were not faced. Some of the Debate was directed to alleged shortcomings of the existing Carlisle and Scottish schemes, and here the Government were able to score at least one point. An Opposition Member, in a press account of his visit to the Gretna District, had paid tribute to the facilities provided at one of the State management houses, but had described the beer there as "indifferent". The Home Secretary remarked that as it happened these particular premises were the only ones in the District where the beer came, not from the Carlisle brewery, but from a private enterprise one.

(457, H.C. DEB. 5s. 14 DEC. 1949, col. 1037).

99. The extension of State management to new towns, in contrast with the public ownership powers conferred by the 1915 Act, and the continuance of the Carlisle and Scottish Schemes by the 1921 Act, was the subject of clear cut party political division in Parliament (the proposals were also opposed by most of the Liberals, and by one or two Labour back benchers). It was therefore hardly a matter for surprise that new towns State management was nipped in the bud by the Conservative administration which came to power in the autumn of 1951. The position then was that £1m had been included in the Estimates for 1951-2 for the acquisition of existing licensed premises in new towns and the local advisory committee set up for each town had been asked to advise which premises should be acquired. Building of three new public houses by the New Town Development Corporations as agents for the Home Office was about to begin, and there were plans on the drawing board for another dozen, and for setting up the necessary local organisation. (f.37) But little money had actually been spent, no premises completed or new staff appointed. It was therefore possible, by taking early action, to reverse engines before the wheels had really begun to turn.

15116 G.E.O. 6.7 1.4.12.2, c.65.

100. The Licensed Premises in New Towns Act 1952^{15116 G.E.O. 6.7 1.4.12.2, c.65.} abolished State management in new towns, and, on the analogy of provisions made by an Act of the war time Coalition Government for the replanning of licensed facilities in war damaged areas, Licensing Planning (Temporary Provisions) Act 1945^{15116 G.E.O. 6.7 1.4.12.2, c.65.} provided for the establishment of Committees consisting of representatives of the licensing justices and the development corporations to work out and submit to the Minister of Town and Country Planning proposals for the number, nature and distribution of licensed premises, leaving the provision of premises and the obtaining of the necessary licences in accordance with the approved proposals, to private enterprise. The repeal of State management in new towns was fought every bit as strongly in Parliament as its original introduction had been - the guillotine had to be used to get it through the House of Commons - but there was no subsequent move to restore State management in these areas or to extend it elsewhere. As Mr Hunt puts it in "A City under the Influence", "State Control's zenith had come and gone without ever really happening at all".

101. At this date, it is profitless to speculate how State management in new towns might have developed, and with what measure of success; nor would it be useful or appropriate to enter into the merits of a proposal so fraught with political controversy. There may however be legitimate scope for doubt whether State management would have been as economically viable as it was in Carlisle. Undertakings were given during the passage of the 1949 Act that the pubs in the new towns would not be "tied" to Carlisle for their supplies of beer - in any event the distances of most of the new towns from Carlisle would have made transport a costly business. Nor could most of them have been overseen by the Carlisle management - a series of new offices, with consequent extra overheads, would have been needed. It is not merely a matter of hindsight to say that, at least from a financial point of view, a more modest measure, such as extension of the Carlisle District to further parts of

1/2 space →
(f.37) Of Second Reading speech by the Home Secretary (Sir David Maxwell Fyfe).
Hansard, 27 February 1952, cols 1151-69.
496, H.C. DEB. 5s, 27 FEB. 1952, cols. 1151-69.
INSET 1/2

Cumberland, or completion of the monopoly in the existing District (the latter could have been achieved without legislation) might have been a sounder bet.

REPERCUSSIONS ON CARLISLE

102. The 1952 Act was confined to abolition of State management in the New Towns. There was no back lash so far as the Carlisle and Scottish Districts were concerned and the provisions of the 1949 Act, in so far as they set out more comprehensively than did those of the 1921 Act the powers of the Secretaries of State in the existing districts (including the power of compulsory acquisition in the Carlisle District) remained part of the permanent licensing law until 1971. So far as Carlisle was concerned, the powers were re-enacted in the Licensing Act 1964, (a consolidating measure). Part V set out the basic powers, including those of acquisition, and of prohibition of the sale or supply of liquor by other persons, and the Ninth Schedule, Part II detailed the "ancillary functions" exercisable by the Secretary of State - including the brewing of beer, the blending, reducing or bottling of intoxicating liquor and the manufacture of table waters "for sale in, or to persons in, the Carlisle District" - significant qualification from the point of view of commercial possibilities. Paragraph 6 of the Schedule authorised the continuance of the dozen or so State management houses situated outside the statutory district (of paragraph 91 above).

103. It was the temporary extension of State management to new towns, rather than its subsequent abolition, which had two permanent effects.

MEMBERSHIP OF THE STATE MANAGEMENT DISTRICT COUNCIL

104. During the "new towns" period 1950-1 the Council was, in accordance with undertakings given during the passage of the 1949 Act, expanded to include representatives of the English and Scottish new towns, and of the existing Districts and an independent Chairman was appointed (Sir Alexander Maxwell, formerly Permanent Under Secretary of State, Home Office). The new towns representatives ceased to serve with the disappearance of their areas from the State management scene but the Carlisle and Scottish representatives (one representative covering both Scottish Districts) continued in office. The Carlisle representative was as indicated earlier for some years Mr J R Potts, Chairman of the Local Advisory Committee. The Chairmanship of the Council was resumed by the Permanent Under Secretary of State Home Office in post at the time (Sir Frank Newsam) and continued by his successor, Sir Charles Cunningham. The same pattern of membership applied until the council's dissolution in 1973 except that during the last six years the Chairmanship was held by a Deputy Under Secretary of State, Mr F L T Graham-Harrison, CB. The members from the brewing industry included over the years Colonel J H Porter, Mr R N Shutte, Mr M Pryor, Group-Captain B G Carfoot and Mr G L Corbett. *THE CARLISLE REPRESENTATIVE IN THE SCHEME'S LAST YEARS WAS ALDERMAN JAMES ASPLEY,*

AUTHORISATION OF THE SUPPLY OF LIQUOR IN REGISTERED CLUBS

105. Under previous policy, two requirements had to be satisfied before a club was given the Secretary of State's authority to supply liquor; that it was a bona fide members' club, and that, having regard to existing facilities, there was a genuine need for the supply of liquor and certain standard conditions were attached to any authority granted (see paragraph 80 above). During the passage of the 1949 Licensing Bill the Home Secretary (Mr Chuter Ede) gave assurances to the Working Men's Club & Institute Union, and repeated them in the House of Commons, that these standard conditions would not be attached in future, and that police inspection would not be made a condition even if a club offered it. (f38). This undertaking

1/2 SPACE →
(f38) ~~Handcard, 26 July 1949, cols 2391-2~~
467, H.C. DEB. 5S, 26 JULY 1949, cols. 2391-2.
INSET 1/2"

covered Carlisle as well as new towns clubs. Moreover, in 1951 the new towns local advisory committees were informed that the general criterion which the Home Secretary proposed to adopt in considering an application by a club for authority to supply liquor was whether it was a bona fide application by a genuine members' club which was not merely or mainly a drinking club. If the club satisfied this test, the presumption would be in favour of granting the application, even though adequate facilities for the supply of liquor might exist elsewhere in the neighbourhood. (f34). This represented a significant departure from the existing Carlisle policy and practice, under which, as indicated earlier, an application by a genuine club might be refused on the ground that there was no need for further liquor facilities. In terms, the new policy, unlike the undertaking as regards conditions, applied to the new towns only and did not bind Carlisle; but after the repeal of new towns State management in 1952 it was decided, after consultation with the State Management Districts Council and the Chairman of the Local Advisory Committee, that the policy should be followed in Carlisle.

REORGANISATION OF CENTRAL MANAGEMENT

106. As explained in paragraphs 58-9 above, the overall management of the Carlisle and Scottish Schemes was vested in a Central Office, which dealt at Headquarters level with questions of administration, establishment and finance and serviced the State Management Districts Council. The Office, which was separate from the Home and Scottish Offices, represented in a way a continuance of the headquarters of the Central Control Board. All of the staff at its inception, and some throughout its existence, had been members of the Board's staff. For a while during the 1930s, the post of Secretary to the State Management Districts Council and head of the Central Office was held by a Principal in the Home Office but thereafter it reverted to a member of the staff of the Office.

107. In 1949, the Home Secretary and the Secretary of State for Scotland decided with the concurrence of the State Management District Council that the Central Office should be wound up and its functions taken over by the Home Office as regards Carlisle, and by the Scottish Home Department (later Scottish Home and Health Department) as regards Gretna and Cromarty Firth. This step which took effect on 1 April 1950 was entirely consistent with the position of the Secretaries of State in relation to the Schemes established by the Licensing Act 1921, and as a matter of strict logic and constitutional practice would have been justified at any time since then. Several factors contributed to its being taken when it was. The pending retirements of the Secretary of the State Management District Council, and of Mr Redfern, the Architect to the Schemes, to whom there were no obvious successors within the existing organisation would in any event have necessitated some review of staffing and organisation. More fundamentally, the proposed extension of State management to new towns not only raised wider questions of central organization; the acute controversies which it aroused had the effect of focussing Parliamentary attention on the running of the Carlisle and Scottish Schemes to an extent unparalleled during most of their previous history, and clearly showed the need for the advisers of the Secretaries of State in the Home Departments to be directly acquainted with and involved in the conduct of the Schemes. Moreover, the Home Departments were now geared, by reason of their Administrative, Establishment and Finance Divisions and their Architects Branches, to assume direct responsibility for the central administration of the Schemes, and for servicing the State Management Districts Council. Some further points about the organisation are set out in Appendix C.

PUBLIC HOUSE IMPROVEMENT

108. In the immediate post war years restrictions on building and capital investment were still a governing factor, but from the early 50s onwards, there was a steady programme of construction of new premises, particularly for the housing estates which

(f39) Home Office circular to new town Local Advisory Committees, dated 23 April 1951.

were being developed in Carlisle and elsewhere, and of reconstruction or major improvements of existing public houses and hotels. As a result of the central reorganisation described in paragraph 107 above, the plans were prepared and the work supervised by the Chief Architect, Home Office, and his staff.

109. The first of the post-war new houses was the "Harraby Inn" on the outskirts of Carlisle, completed in 1950 by the adaptation of a large private residence which had been acquired in 1946 for the purpose. In this, it was exceptional: other new public houses were normally completely new buildings. During the 1950s, when the programme had gathered impetus, these houses included, among others,

"The Bounty Inn", (with bowling green and rose garden) built to serve a housing estate at Maryport on land formerly belonging to the family of Fletcher Christian of the mutiny. There was a scale model of the vessel in a glass panel between the two smoke rooms.

"The Arroyo Arms", on the Harraby housing estate, Carlisle. The name commemorates the part taken by the Border Regiment in the battle of Arroyo dos Molinos in the Peninsular War.

"The Royal Scot", on the Morton housing estate, Carlisle. The reference is to the Euston-Glasgow express of that name, some of whose drivers were Carlisle men, and a scale model of the original "Royal Scot" engine in LMS livery, presented on permanent loan by British Rail, was displayed in one of the bars.

110. From the early 1950s onwards darts boards and Darts Leagues (eventually 5 of them, competing annually for trophies) became a regular feature of the public houses (during the Debates on the Licensing Bill 1949 the Scheme had been criticised, not altogether unfairly, for having been unresponsive to a growing demand for this facility).

111. The programme of new buildings and improvements continued in full force up to the end of the Scheme. Recent new public houses in contemporary style included "The Border Terrier" and the "Border ~~Restoration~~", the former particularly popular with the younger generation, on Carlisle housing estates, the "Throstle Nest" in Wigton, in the "non-monopoly" area, and "The Metal Bridge Inn", just off the M6 a few hundred yards from the Scottish border, which had high standard restaurant facilities. In the centre of Carlisle, the "Citadel Restaurant" was given a new look, and its catering and other facilities brought into line with contemporary tastes and standards by a major reconstruction, and the "Central" and "Red Lion" Hotels, in the Scheme's earlier days of an adequately comfortable but perhaps not very inspiring "commercial hotel" standard, were progressively brightened up and improved. There was a major reconstruction of "The Green Dragon Hotel", Workington (outside the statutory area) a building dating from the 18th century and rated as one of historic and architectural interest.

BREWING AND BOTTLING

112. Improvements continued to be made in the normal course to the brewery plant. A landmark in the mid 50s was a new bottling plant and store for the production of chilled and carbonated bottled beers. Hitherto the Scheme had produced only naturally matured beers which some connoisseurs might still swear by, but it was clear that the Scheme's bottling methods must be adapted to accord with modern brewing practice and popular taste.

113. The old bottling plant had however one more chance to show its paces. In 1953, its last year, it bottled, in addition to its normal output, a limited amount of a "Coronation Ale" of special quality and strength (1070 degrees specific gravity) for sale in the Scheme's houses during the Coronation period, at the correspondingly higher price, for those days, of 1/9d public bar and 1/10d smoke room for a half pint bottle.

114. The new plant, opened in October 1954 by Sir Sidney Nevile, to whose advice and encouragement the project was in large measure due, and described by him as the most up to date for its size in the country, originally produced four varieties of bottled beers: a light ale, an "export" quality ale, a nut brown ale and a sweet stout. The last of these failed to catch on, or at any rate to compete successfully with national brands, and was subsequently dropped, but the other varieties continued to do well, and the nut brown won a silver medal and subsequently a diploma of excellence at national brewers' exhibitions.

115. The years 1953/54 saw another change at the brewery. Not without regret, the last of the horse drawn vehicles which had continued in use for local deliveries were replaced by a lorry, and the three remaining horses pensioned off to a home of rest of the National Equine Defence League.

116. The need for expanded and modernised production of mineral waters was met by a new plant which came into production at the end of 1956 and was formally opened by Mr J R Potts in April of the following year. The plant was closed in 1967 on commercial grounds, but the production of cordials and essences was carried on from the brewery, and arrangements were made in 1970 with a Maryport firm to supply lemonade to the Scheme's previous recipe - which had proved highly popular - and under its label.

117. In the last few years of the Scheme, the range of draught beers was supplemented by the introduction of a draught lager, which proved highly popular.

"THE COLLAR ON THE PINT"

118. The events for which the above is a convenient sub-title - an alternative one would be "The case of the dismissed Managers" - occurred in the late 1950s but were the subject of periodic representations inside and outside Parliament in succeeding years.

119. An explanation of the background, though necessary to put the matter in perspective, amounts in part to little more than a statement of the obvious. The pint or half pint glasses used in public houses for the service of draught beer are normally designed to hold those amounts - neither more nor less - if filled to the top. But in practice they are not normally so filled: there is a certain amount of froth or "collar" which could be avoided only, if at all, if the beer were drawn very slowly, which, even if it were practicable in a busy bar, would not be appreciated by the customers, who normally want to see a reasonable, though not excessive, head to their beer rather than a flat top. It was accepted in the evidence given before the special Inquiry referred to below that the "collar" on the pint might well amount to 4 or 5%, ie about 14 pints on a barrel of 36 gallons. In addition to this "natural surplus" there was the separate factor that (as was again recognised at the Inquiry) most of the Scheme's houses had a common stock of beer for both the public bar and the "smoke room" and the beer sold in the latter would automatically provide a surplus (1d a pint at that time) over public bar prices. If therefore a public house manager's stock returns consistently failed to reflect these surpluses, there was something that needed looking into.

120. Towards the end of the 1956 allegations, which received considerable publicity, were made by the Civil Service Union, representing the Carlisle public house managers, that pressure was being applied to the latter to produce greater profits (at the cost, it was implied, of the customer receiving short measure) and that managers had been given demonstrations how to "make" one pint out of every ten. In February 1957 the Home Secretary (Mr R A Butler) decided that there should be an independent enquiry into the allegations and appointed Mr C S S Burt QC for this purpose. In his report of April 1957 (Cmd. 168) Mr Burt found that no pressure, direct or indirect, had been put on managers to produce greater profits by giving short measure; the allegation about demonstrations how to make one pint out of every ten was not supported by any evidence, and in his opinion was not true; he was satisfied that in the Carlisle public houses there was in fact a surplus profit arising from the collar on the beer (he did not regard it as within his remit to decide the amount). He was also satisfied that in the "vast majority" of houses there was a surplus of 1d a pint on all beer served in the smoke room and as regards complaints that had been made about the system of check stocks, the system had been in operation for many years and was an essential method of administrative control which also assisted managers in the conduct of their business. The number of check stocks had increased in the preceding six months. This however "was in no way due to any change in the attitude of the management towards managers but was brought about in the normal way by an increase in the number of unsatisfactory stock returns".

121. In 1958, arising from stock checks and other investigations, ten managers were convicted by the courts of fraud and dismissed following their convictions, and another eight were charged, under Civil Service disciplinary procedure, with having failed, following repeated warnings of unsatisfactory stock returns, by a substantial amount and over a considerable period to produce for payment into Exchequer funds the money which could reasonably have been expected from the sales of liquor at the houses which it was their duty to manage.

122. The managers' answers to the charges were heard by a Disciplinary Board which sat in Carlisle. Under normal Civil Service procedure, the Board would have been presided over by a Home Office official. In view, however, of allegations that the managers were being victimised by the Home Office, it was thought appropriate that two members of the Board, including the chairman, should be appointed from outside the Home Office and that there should be only one Home Office member, and none from the Carlisle management. At the request of the Civil Service Union, the managers had the assistance of two officers from the Union's headquarters, instead of the one allowed by normal procedure, in the presentation of their cases to the Board.

123. In the light of the Board's report, and after considering further representations on behalf of the managers, the Home Secretary was satisfied that the charges against them were fully established. Six of the eight were dismissed and the other two severely reprimanded and downgraded.

124. The managers' case was raised in an Adjournment Debate in the House of Commons on 30 June 1959 by the then Member for Carlisle, Dr Donald Johnson. In his reply on behalf of the Home Office, Mr (now Sir) David Renton referred to the findings of the Burt inquiry with regard to the "natural surplus" which Mr Renton said could almost be called one of the facts of life in the drink trade. He described the action that had been taken with regard to the managers. He added that the losses to the Exchequer for which the dismissed men were responsible amounted to well over £1000, and stated that the Home Secretary was not prepared to reopen the case. (Hansard 30 June 1959, Cols. 425-34).

125. MPs for Carlisle and other constituencies within the State Management District subsequently raised the cases of the dismissed managers, and one of them in particular, from time to time, but successive Home Secretaries found no grounds for departing from the original decision.

REPORT OF THE ESTIMATES COMMITTEE 1963

126. In the Parliamentary Session 1962-3, the House of Commons Estimates Committee examined the organization of the Home Office and the administration and finances of the Scheme were among the matters on which evidence was given by the Permanent Under Secretary of State and other Home Office officials. In paragraph 67 of their Report (f40) the Committee said, inter alia, "It was admitted that financial considerations did not play a large part in the maintenance of the Scheme Despite this, Your Committee were glad to note that in the commercial accounts published for 1961-2, there was a commercial profit of £202,000 before taxation, representing a gross profit of about 15 per cent on the assets of the concern as shown in the balance sheet So far as they are able to judge, therefore, the scheme appears to be working satisfactorily from a financial point of view". The policy of State management "was not one on which (the Committee) can pronounce. They do feel, however, that the present structure where State management is confined to an area which by chance almost fifty years ago contained a large element of drunkenness, is one which needs review Any alterations in the present arrangements would require legislation. It is not for Your Committee to suggest what form such legislation should take, should it be felt that any change was necessary, but they trust that the system will continue to be reviewed at a high level"

SALE OR SUPPLY OF LIQUOR IN NON-STATE MANAGEMENT PREMISES

127. In 1957, for the first time in the Scheme's history, the Home Secretary authorised the sale of liquor in privately owned premises: a country hotel a few miles south of Carlisle. Under conditions attached to the licence by the licensing justices, the sale of drink was restricted to residents at the hotel, and to persons taking meals or attending social functions there. The Home Secretary's decision which, as the local press noted, was contrary to the advice of the majority of the Local Advisory Committee, was based on the special circumstances of the case; facilities similar to those which the hotel wished to provide were not available elsewhere in the neighbourhood; and in the immediately following period a number of applications by restaurants or hotels were refused as it was considered that these circumstances did not apply.

128. Not long after, the scope of the Home Secretary's control was affected by new provisions in the general licensing law introduced by the Licensing Act 1961 (and now contained in Part IV of the Licensing Act 1964) for "restaurant" and "residential" licences. Under a restaurant licence the sale or supply of drink is confined to persons taking meals there; under a residential licence it is confined to hotel residents and private friends of residents entertained at their expense.

129. The philosophy of the 1961 Act was that these licences should be obtainable as of right, provided the applicant and the premises were suitable, regardless of whether there were already similar existing facilities in the neighbourhood and the discretion of the licensing justices to refuse an application was restricted accordingly. Consistently with the principle that no account was to be taken of the extent or situation of existing facilities, the Act further provided that drink could be sold under a restaurant or residential licence in the Carlisle District without the need to obtain the Home Secretary's authority.

1/2" space →
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(f40)

~~Eleventh Report from the Estimates Committee, Parliamentary Paper 293-ESTIMATES COMMITTEE 11th, REPORT TOGETHER WITH PART OF THE MINUTES OF EVIDENCE TAKEN BEFORE SUB. COMMITTEE C AND APPENDICES, THE HOME OFFICE, 1962-63 (293) vi, 309.~~

130. The 1961 Act also rewrote the law relating to clubs so as to ensure that only genuine members' clubs could obtain a registration certificate authorising the supply of liquor; and consistently with the policy which had been followed in Carlisle since 1952 with regard to genuine members' clubs (see paragraph 105 above) the Act provided that the Secretary of State's authority was not required for the supply of liquor by clubs which were successful in obtaining a registration certificate.

131. Until the 1971 Abolition Act the Home Secretary's authority was however still required for the sale of liquor in premises which obtained or proposed to obtain a licence wider than or different from a restaurant or residential licence: eg any premises, including hotels, with bars open to the general public, and off sales premises. From the mid-1960s onwards, an average of about five authorities a year were granted. With the exception of a Motel at Carlisle, and a lido and holiday camp premises off Silloth, where the authorities covered on sales, they were in respect of off sales mainly in premises outside Carlisle - particularly the Maryport area. Several off-sales applications in respect of premises in the City of Carlisle were refused, though one was granted for a supermarket. The governing principle in dealing with these various applications was that since Parliament had given the Home Secretary the primary responsibility for the sale of liquor in the statutory district, it was normally the duty of the Scheme to provide any new facilities for which a need could be shown. Where however - exceptionally - some other person or undertaking was for one reason or another in a better position or had some special claim to provide the particular facilities in question, it was only reasonable not to stand in their way. A person who obtained the Home Secretary's authority still needed a justices' licence for the sale of liquor and conversely a licence was of no avail to him without the authority. Applicants were therefore usually advised by the appropriate clerk to the Licensing justices to approach the Carlisle General Manager, or the Home Office, before applying for a licence. The applicant could then find out whether the Home Secretary's authority was likely to be forthcoming, thus avoiding a situation where he might obtain a licence only to be told that the authority to take it up could not be granted.

TENANTED HOUSES

132. The last few years of the Scheme saw a change in policy and practice on the question of managed houses and tenancies. Under the policy initiated by the Central Control Board, and followed during most of the Scheme's history, the public houses and hotels were not let to tenants but were in the charge of salaried managers directly employed by the Scheme. The only exceptions were some of the premises outside the statutory area which were let to tenants who obtained their supplies from the Scheme but otherwise ran the business on their own account, though even here some of the premises, such as the Green Dragon Hotel, Workington remained until the end under management.

133. The system of managed houses, under which the manager derived no profit from the sale of drink, was regarded as more consistent than that of tenancies with the principles of disinterested management. A further factor which influenced the original decision was the view of the Central Control Board that adherence to the terms of their restrictive orders and to their further special instructions in the "Direct Control Area", as it then was, could be better ensured if those in charge of the houses were salaried servants rather than tenants bound only by the terms of their tenancies.

134. From the commercial point of view, the system was satisfactory on the whole in the case of the larger and busier public houses and hotels, but less so in that of the smaller premises, particularly those in country areas where the trade was often insufficient to return a profit after meeting the manager's salary and other overheads - heating, lighting and the like - for which the Scheme was directly responsible: yet these uneconomic houses had to be kept going to meet local needs.

135. In 1967/8 the Home Secretary (Mr Roy Jenkins) and his successor (Mr Callaghan) reviewed the Carlisle organisation. While no fundamental alteration in policy was contemplated, it was decided to make some changes consistent with a general trend to a more commercial approach (f 41). One was that a number of smaller houses should be converted to tenancies as rapidly as promotions or retirements of existing managers allowed. By 31 March 1969, 15 houses had been converted and the State Management Districts Annual Report recorded that "The volume of goods handled by these branches since the changeover has shown a marked increase while retailing costs have been eliminated". By 31 March 1971, the total had reached 50. On another aspect of the policy of rationalisation, some redundant houses in Maryport were closed altogether.

HOW THE SCHEME STOOD BEFORE ABOLITION

136. At the beginning of 1971, the Scheme owned 146 public houses, 11 hotels, 2 restaurants, 11 off sales premises, as well as the brewery, wine and spirits store, and some 170 unlicensed properties of various types including dwelling houses and shops, mostly let to tenants. The staff totalled 1165: 458 full time and 707 part time (details in Appendix D, and see also paragraph 174 below). As regards the financial picture over the Scheme's last decade, the trading profit for the year ended 31 March 1962 was as mentioned earlier (paragraph 126 above) £202,000, and rose to £252,653 for 1963. From 1964 the profits fell steadily to £113,026 in 1969. The process was sharply reversed in 1970 (£212,171). Contributing factors were the ending of the price standstill in the brewing industry, measures taken to improve financial efficiency including those referred to in paragraph 135 above, the introduction of a productivity scheme at the brewery and the progressive policy of the last General Manager and his main assistants. For the year ended 31 March 1971, the last full financial year before the passing of the 1971 Abolition Act, profits reached an all time high of £287,166.

137. At Second Reading of the Abolition Bill, the Home Secretary made the point that, in relation to the fixed assets of the Scheme, which in 1970 were provisionally estimated to be worth not less than £4 million, the 1970 profits (the latest published ones at the date of introduction of the Bill) represented an approximate return of only 5%, compared with the 9-11% return of most brewery companies. The scheme's profitability was in fact restricted by various factors which did not operate to the same extent, or in some instances at all, in the case of the ordinary brewery. On the public house side, for example, the achievement of maximum profitability may call for a good deal of flexibility in the replacement or switching round of managers or converting managed houses to tenancies and vice versa. The general staff structure of the scheme and the job security enjoyed by the majority of public house managers gave it less freedom in these respects, even though, as recounted in paragraph 135 above, steps were taken at a late stage in its history to convert managed houses to tenancies in suitable cases as and when the opportunity occurred. On another staff aspect, the provisions for superannuation, holidays, sick leave and the like were probably more liberal than those of some commercial undertakings. These factors apart, it was accepted policy that the Scheme had certain social obligations towards the area in which it operated and that these entailed in some cases the provision of facilities on a scale and of a kind which did not and were not expected to produce a return acceptable by purely commercial standards.

138. Then there was what might be called the geographical restriction. There is usually nothing to stop the ordinary brewery from selling its products wherever it can find a profitable outlet. But the scheme was held to be debarred, as a matter of law, from selling outside the statutory area as originally defined in the Licensing

1/2" source →
(f 41)
1/2" source →
Speech by the then Minister of State, Home Office, the late Lord Stonham, when opening the new Citadel Restaurant on June 21, 1968. See local press reports and Home Office Press Notice of that date.

Act 1921 and maintained in later enactments. There were a number of clubs within economic reach of the Carlisle brewery, but outside the statutory area, which it was known would have been glad to obtain their supplies from the scheme but had to be refused. Even within the area, some valuable trade was lost or never obtained because the scheme, as a matter of general policy, was unable to make the kind of loans to clubs e.g. for extension or improvement of their premises, which would often be available from a commercial brewery or from the Club Federation Brewery. All this had a bearing on the fact that in the Scheme's later years the brewery was running at only two thirds its normal capacity and little more than half the capacity that could have been achieved with shift working. The General Manager estimated in 1970 that these factors, together with the effect on revenue of shortfalls in capital investment in preceding years, represented a loss of potential net annual profit of the order of £150,000.

139. It is however a matter of some satisfaction that the last two years of full operation showed a decisive up turn in profit, and a history of the Scheme's final years would be incomplete without a special tribute to the last General Manager, Mr J H Marker, and the Assistant General Manager, Mr F Stewart. Mr Marker, a Chief Accountant in the Board of Trade, who originally came on loan as Acting General Manager in July 1969 stayed on as General Manager until the final dissolution of the Scheme. Mr Stewart joined the Scheme as a boy clerk in 1927 at the age of 14 and was successively promoted through Stocktaker, Supervisor and Superintendent of Managed Houses to Assistant General Manager and awarded the ISO in the New Year Honours 1973. He also remained until the final winding up of the Scheme, retiring, like Mr Marker, in May 1974. Under these two officers, the Scheme enjoyed something of a renaissance in the last years before abolition, and their talents and experience and the personal relationships which they established with the staff were also invaluable in the less inspiring but no less exacting process of winding up.

ABOLITION

Background

140. On 19 January 1971 the then Home Secretary (Mr Maudling) announced in a Written Answer to a Parliamentary Question that he and the Secretary of State for Scotland had decided that there was no longer sufficient social or economic justification for the continuance of State management of the liquor trade, and that legislation would therefore be introduced to wind up the Carlisle scheme (Hansard Cols 272-3). The Secretary of State for Scotland made a similar statement regarding the Scottish schemes.

141. For the background to this decision, one needs to go a little further than the fact that 7 months previously (June 1970) a Conservative administration had been returned after 6 years of Labour government. This had also happened in 1951, but the scheme had survived the following 13 years of Conservative government, as it had during the mainly Conservative or Conservative orientated administrations of the years between the wars. On the face of it, it might have been supposed that the longer the scheme survived the greater the likelihood of its tacit acceptance as part of the English or at least Cumbrian way of life. As against this sort of consideration there is however the fact that modern governments, whatever their political complexion, are less inclined than some of their predecessors to take things for granted and more disposed to a critical examination of existing institutions, and of some functions of government itself. Thus, as noted in paragraph 135 above, in the later sixties Labour Home Secretaries started a move, with some success, towards putting the Carlisle scheme on a more commercial basis, and it does not seem improbable that had the scheme continued into the seventies there could well have been a further and more fundamental review of its economic viability in the light of the legislative and other restraints referred to in paragraphs 137 and 138.

142. Present day governments may also be disposed to consider whether some existing sections of official organisation or management are really appropriate as direct functions of government, or whether they ought not to be hived off to some other body. A Conservative government might be expected to extend such a review to the question whether a particular function might be disposed of altogether, and left to private enterprise. That the Conservative party which won the 1970 election had this approach in mind was apparent from their election manifesto and other contemporary evidence. State management was not specifically mentioned in the party's English manifesto (as opposed to the Scottish manifesto - see next paragraph) but in a speech in January 1970 the present Lord Hailsham, speaking at that time as "shadow Home Secretary" said of the Carlisle scheme that it was "thoroughly inappropriate for the Home Office to be directly concerned in a commercial operation of this kind." He did not advocate a return to private enterprise as such, but went on to say (in a passage which was several times quoted by the Opposition during the passage of the subsequent Abolition Bill) "We shall therefore be ready to consider any viable proposal for transferring the ownership and management of the State scheme to a suitably constituted local body, such as a trust." The speech could therefore be regarded as notice of intention on the part of a future Conservative administration to take a full and critical look at the whole concept of State management.

143. A further factor was the pledge in the 1970 Scottish Conservative election manifesto to "end the State monopoly" in the two Scottish districts. Similar pledges had been given in the 1966 and 1964 manifestos. This in itself need not have been conclusive for Carlisle. It would have been possible both legislatively and administratively to abolish the Scottish schemes while retaining the Carlisle one. As a matter of practical politics, however, such a step could have been taken only by a Government which was satisfied that while State management was an excrescence north of the Border, it was a worthwhile institution south of it, and this, as we have seen, was not the view of the Conservative party in 1970.

144. All these considerations might not have led in practice to abolition had it not been possible to carry it out fairly early in the life of the 1970-74 Conservative government, before they were more fully involved in major legislative and other issues such as Northern Ireland, industrial relations, local government reorganisation and British entry into the European Economic Community. It was possible to deal fairly speedily with abolition for two main reasons. First, given that the administration, particularly in its early days, was minded to review functions which could not be said to be an obvious and integral part of government, State management was a fairly obvious candidate for consideration. Second, the necessary legislation was fairly short and simple since it could and did leave the question of ways and means of disposal of the State management properties to the Home Secretary and the Secretary of State for Scotland.

Legislation

145. The Licensing (Abolition of State Management) Act 1971, which received Royal Assent on 27 July 1971, was, as already mentioned, a short and simple measure. Section 1, which came into force on Royal Assent to the Act, abolished the prohibition on the retail sale of liquor in the State Management Districts without the authority of the Secretary of State. Thus anyone could open a new public house, licensed hotel restaurant or off sales premises if he obtained a justices' licence (certificate in Scotland). Sections 2 and 3 required the Home Secretary and the Secretary of State for Scotland to dispose of State Management properties on such terms as appeared to them expedient in the public interest, and had the effect that the public houses, hotels, etc, so disposed of were to be treated for the purposes of licensing law as

though they already held a justices' licence or certificate of such class as the Secretary of State might specify in a notice relating to such premises. This meant that the purchaser of any such properties was in the same position as regards the general licensing law as if he were buying existing licensed premises anywhere else in the country. Without this particular provision, the properties would have come into his possession as unlicensed premises; he would have had to apply at the next available opportunity for a new justices' licence, with no guarantee that it would be granted, and unless and until he obtained a licence, he would be unable to sell liquor. This would obviously have reduced quite significantly the sale value of the State management properties, as well as depriving the public at least temporarily of all or most of the existing licensed facilities in the locality. Notices specifying the class of justices' licence were issued in February 1973 following the acceptance of tenders for the purchase of the bulk of the Carlisle properties. A few were in respect of off-licences only, but the majority (105) specified a justices' on licence authorising the sale of intoxicating liquor of all descriptions.

146. Section 4 provided for the proceeds of the sale to be paid into the Consolidated Fund. Section 5 enabled the appropriate Secretary of State, by statutory instrument, to repeal the remaining statutory provisions relating to State Management when he considered that they could have no further application. In other words, the powers of the Secretary of State to sell liquor and to exercise "ancillary functions" including the running of hotels and, in Carlisle, the brewing of beer etc, could continue in force pending completion of the disposal - a very necessary provision considering that the Carlisle brewery for example was not finally disposed of until May 1974. In fact, the repealing order had still not been made a full year later, powers being deliberately retained in order to provide the necessary legal backing for contingencies such as the recovery of outstanding debts.

147. The Explanatory and Financial Memorandum prefaced to the Bill said that a provisional estimate in 1970 suggested that value of the assets, excluding stocks, of the Carlisle and Scottish schemes was then not less than £4.7 million, and that the net proceeds of disposal (ie after expenses of sale and payments to staff) was expected to be upwards of £3.8 million and could well prove to be more. In fact, as indicated later, the amount realised by the Carlisle properties alone, after expenses of sale, was just over £6 million.

THE PARLIAMENTARY DEBATE

148. The abolition of State Management in Carlisle and the Scottish Districts was - like the 1949 application to new towns in 1949 and its repeal in 1952 - the subject of division on party political lines. The main arguments for and against were fully covered in the Second Reading Debate in the House of Commons (Hansard 20 April 1971, Cols 960-1076): the Second Reading majority was 277 to 226.

149. The Government's case, as set out by Mr Maudling, was that we were now far from the situation in which State management was originally introduced. "The experiment must be judged on its value as a method of liquor control in the circumstances of today. On this test, we can only say that there is no evidence that this is a better method of controlling liquor supply than through the ordinary licensing law". State management could only operate as it did because of the exercise of monopoly powers. If these were taken away "all that is left is a State organisation for brewing and providing liquor in general competition with other suppliers, and this in the view of the Government is not a reasonable or proper activity for Government enterprise in this country". Moreover, the Schemes represented an uneconomic diversion of resources seeing that their rate of return on capital of about 5% (of paragraph 137 above) was far below both the normal target rate of about 10% set for the nationalised industries by the previous Labour Government, and the normal rate of return in the brewing industry, which was understood to be between 9 and 11 per cent. The return also compared unfavourably with the 8 or 9 per cent at which the Exchequer had to borrow money.

150. For the Opposition, Mr Callaghan said that no real case had been made for disposing of a business which had existed for ^{MORE THAN 60} years under Liberal, Conservative and Labour Governments. If the objection was to the monopoly aspects of the Schemes, the Bill was unnecessary; all that was needed was a decision by the Secretary of State not to oppose applications by private enterprise to start new licensed business in the State management districts. As regards Mr Maudling's financial calculation, why had he based the rate of return on the 1970 profits, when it was common knowledge that those for the year ended 31 March 1971 were higher; indeed the Chairman of the Carlisle Local Advisory Committee was reported to have said "It is disgusting treatment. The State sells the best and cheapest beer in Britain and they are just about to announce the highest ever profit". Moreover the public had never been given the opportunity to vote on the present proposals which were quite different from Conservative policy as set out before the election by Lord Hailsham, namely transfer of the Scheme to a local trust (see paragraph 142 above). This had also been the line taken by the Conservative candidate for Carlisle in the election campaign. The Opposition would look very critically at the proposed method of disposal, about which they needed more information, and a future Labour Government would reserve the right to re-acquire the State Management assets "either in total or in part as best suits the national interest at the time. We shall not be bound in these cases by our conventional basis of compensation". (As it turned out, it fell to the Labour Government elected in 1974 to complete the winding up of the Carlisle scheme by the final disposal of the brewery and to present and publish a report (Cmd 5761 of October 1974) on the disposal of the properties in the three state management districts).

151. From the Opposition back benches, the Government's proposals were attacked by the Member for Carlisle, Mr Ron Lewis. In the course of his speech, he poured scorn on the Financial and Explanatory memorandum's tentative valuation of £4.7 million for the three schemes, and claimed that the real figure for Carlisle alone was much nearer £6 million - a remarkably accurate forecast, as it turned out, of the net proceeds of disposal.

152. Other points raised in the Second Reading Debate included the position of the State management staff (dealt with in a later section of this history); the future of the Carlisle brewery, on which Mr Maudling said "I cannot guarantee the continuance of a particular enterprise which may be proved to be wholly uneconomic in modern conditions" (and, as will be shown later, disposal of the brewery turned out to be a troublesome and prolonged affair); and apprehension that private enterprise would mean an increase in price for the consumer. Mr Callaghan referred to an article in the "Sunday Mirror" of 21 March 1971 which showed that of 27 brands of "medium" beer, Carlisle bitter was the cheapest. Mr Maudling said that increases in costs would make it necessary in any case to increase the price of Carlisle beers, which had remained unchanged for over a year.

153. In winding up the Debate, the Secretary ^{OF STATE} for Scotland (Mr Gordon Campbell) adverted to Mr Callaghan's reference to Lord Hailsham's January 1970 speech about transferring the Carlisle scheme to a local trust. The Government had duly examined this possibility but had concluded that they would not be justified in setting up a trust from public funds. If however anyone were to come forward with a proposal for a privately financed trust, they would be ready to consider it. He repeated Mr Maudling's assurances that in disposing of the State management properties the Government would be guided by two main considerations; to get the best price for the taxpayer, and to ensure as far as possible freedom of choice for the consumer. The Bill placed no time limit on disposal, which would not be hurried if it meant accepting an unreasonable offer in any particular case.

154. Few new points arose during the subsequent passage of the Bill in the Commons and Lords - except for further Government statements about methods of disposal and

the position of the State management staff, which are dealt with later in those contexts. In relation however to the brevity and simplicity of the Bill - to which only one amendment was made, and that of a purely drafting nature - the House of Commons Committee stage was protracted (from 29 April to 27 May 1971) sharply contested, and involved a number of late sittings; the long awaited Government announcement of the proposed method of sale (paragraph 158 below) being made at about 2 a.m.

LOCAL REACTION

155. There was little overt or organised expression of public opinion in Carlisle e.g. by way of public meetings, or the like, but the local Advisory Committee, who were well qualified by their representative character and every day local contacts to speak on the matter, told the Home Office in the letter referred to in paragraph 156 below that there was widespread local opposition to disposal of the Scheme, based largely, the Committee considered, on fears that "the quality and price of the Carlisle beer might suffer to the disadvantage of the consumer".

156. The Carlisle City Council, which was Conservative controlled at the time of the announcement of the decision to abolish the Scheme, split on party lines. At a special meeting on 9 February 1971 a resolution was adopted which "accepted" the Government's decision but urged the Government, in selling the Scheme's assets, to use every endeavour to guarantee the continued operation of the brewery, to secure the re-employment of all the Scheme's staff, and to ensure that the state monopoly was not replaced by another monopoly. The Maryport Urban District Council opposed the decision on the ground that it would result in local unemployment. The Local Advisory Committee felt that they could not challenge a policy decision of this nature but given that a fundamental change should take place, they would prefer that it should be on the lines of proposals which they had made earlier for a locally controlled "public corporation". As already mentioned the Committee referred to the widespread local opposition to disposal of the Scheme. Like the City council, they urged that the continuance of the brewery and its products should be ensured, that there should be full safeguards for the staff, and that state monopoly should not be replaced by a private monopoly.

APPLICATIONS FOR THE SECRETARY OF STATE'S AUTHORITY

157. As indicated in paragraph 145 above, the abolition legislation had the effect that, from the date of Royal Assent (27 July 1971) the Secretary of State's authority was no longer needed for the retail sale of liquor in new licensed premises in the State management districts. At the time of introduction of the Bill, there were 13 outstanding applications for the Secretary of States' authority in the Carlisle district, 8 of them in respect of off licences. At Second Reading, Mr Callaghan argued that no application should be granted before the disposal of the State management properties had been completed, so as not to reduce the value of the properties to be sold. This suggestion (which would have entailed an amendment of the Bill) was not accepted by the Secretary of State for Scotland in winding up. The Home Secretary and the Secretary of State for Scotland (there were 19 applications outstanding in the Scottish Districts, all by persons who had already obtained certificates from the licensing courts) decided however, as a matter of policy, not to grant any authorities during the passage of the Bill. This decision was announced by Mr Mark Carlisle, then Parliamentary Under Secretary of State, Home Office, during the Standing Committee Proceedings (1970-71 H.C. DEB., STANDING COMMITTEE D, 4 MAY 1971, COLS. 35-37). As regards the contention that power should be taken to refuse applications until completion of sale of the State management properties, Mr Carlisle said that fears about the commercial effect of not maintaining the monopoly meanwhile were exaggerated, since potential purchasers of State properties would know that the monopoly was going before long in any case.

SALE OF THE PROPERTIES

158. In accordance with statements made by Mr Carlisle during the Standing Committee Proceedings (1976-77 H.C. DEB STANDING COMMITTEE D, 20 MAY 1976, C.14, 371), the disposal of the properties was placed in the hands of independent professional estate agents appointed, so far as Carlisle was concerned, on the advice of the President of the Royal Institution of Chartered Surveyors. For the "unlicensed" properties (houses, shops, various pieces of land etc) the agents were Messrs W L Tiffen & Sons and Messrs Gibbings & Johnston, both of Carlisle. For the "licensed" properties (public houses, hotels, restaurants and off-sales outlets together with some closely connected unlicensed properties) and the brewery, joint agents with specialised knowledge of the licensed trade were appointed: Messrs Sidney & Graham Motion of London, and Messrs Storey & Sons & Parker of Newcastle upon Tyne. During the latter half of 1971, and prior to sale, the agents and joint agents valued the properties, and separate valuations were made by the Inland Revenue Valuation Office. The fees paid to the agents were included in the costs of sale, which totalled £131,750 (see page 5 of the Report on Disposal of Properties referred to in subsequent paragraphs.) No legal costs were incurred, since the conveyancing and other legal work arising from the sale was carried out for the Home Office by the Treasury Solicitor. The Home Office and the Scheme were particularly fortunate in being able to draw on the expertise and wise counsel of Mr Selwyn Ford and Mr Eric Passingham of the Inland Revenue Valuation Office whose co-operation and assistance went far beyond any mere official obligations. The agents' and Valuation Office's valuations of the main properties or groups of properties are given in subsequent paragraphs, ~~of this memorandum~~. As will be seen, in several cases they were below the amounts actually realised. In this unprecedented situation it was clearly right to err on the side of caution and as it turned out the properties were sold against a general background of a rising market.

UNLICENSED PROPERTIES

159. It was decided at the outset as a matter of policy that whenever possible the unlicensed properties should be sold to sitting tenants. Thereafter, local authorities were given first refusal in accordance with normal Government policy in such matters. In the event:-

- a) 74 properties, mainly private houses, and including tennis courts adjoining a country public house, were sold to sitting tenants or by private treaty. Excluding the tennis courts, which realised £1,500, the valuations of the local agents and of the Inland Revenue Valuation Office were £71,815 and £72,790 respectively, and the sale price £79,960.
- b) 16 properties or groups of properties, including some "delicensed" public houses, were sold at the District Valuer's valuation to local authorities in the district (the Carlisle City Council, the Maryport Urban District Council, and the Border and Wigton Rural District Councils) for a total amount of £51,265. In addition one licensed property in Carlisle was sold for £21,000 to the Cumberland Probation and After Care Committee.
- c) 6 properties or groups of properties were sold by auction for a total of £26,650 (more than twice the valuations of the agents and the Inland Revenue Valuation Office - one site having attracted a particularly high bid).

The Scheme's offices (the building is listed as one of special architectural or historic interest) were sold by public tender to local solicitors for £51,150 (the valuations of the local agents and the Valuation Office were £45,000 and £40,000 respectively).

LICENSED PROPERTIES

160. A distinction was made between the small public houses and the larger public houses, hotels and restaurants.

SMALL PUBLIC HOUSES

161. Undertakings were given during the passage of the "Abolition" Bill that somewhere near 40 small public houses, all country ones except for one in Carlisle, would be offered for sale to the tenant or manager at a price at or near the agents' and Valuation Office valuation. On professional advice, the main criterion for a small public house in this context was that the trade was less than 4 barrels a week (3 gallons of wines or spirits being taken as the equivalent of one barrel of beer). The basis for this criterion was that 4 barrels a week was the minimum trade which was likely to interest a potential purchaser of one of the "lots" into which, as indicated below, most of the larger public houses were grouped for disposal purposes.

162. This resulted in 37 small public houses being offered to the occupants, of whom 29 were tenants and 8 managers. The Local Advisory Committee urged that the offer should extend to all the Scheme's tenants, ie that it should include the further 20 tenants of larger houses, and similar representations were made by solicitors acting on behalf of those tenants. It was claimed that this would be a proper recognition of tenants' achievements in sustaining or increasing the profitability of the houses for which they were responsible. The Home Secretary was unable to agree to the proposal. As was explained in letters to the Local Advisory Committee and to Mr William Whitelaw MP, who had been approached on behalf of the "larger" tenants, in deciding on the method of sale of the Scheme's larger properties, the Government had to take account of a number of factors, including the need to obtain a proper return to the Exchequer, equitable treatment of tenants and managers, and the avoidance of an undue degree of local monopoly. On the aspect of equitable treatment, while the tenants' achievements were recognised, increased profitability was in many cases the result of other factors also, such as investment by the Scheme and developments in the locality; and many managers could also justifiably claim to have contributed to the profitability of their house. If therefore the 20 larger tenants were also to be offered their houses, the Home Secretary could not equitably decline to make similar offers to all the managers. The advice of the agents was that sale of the public houses in this way would reduce the total proceeds very considerably. Moreover, it would not be possible to prevent a brewery acquiring a financial stake in enough individual houses (eg by way of loans to tenants or managers for the purchase of the properties) to constitute an undue degree of local monopoly.

163. In the event, 34 small public houses (28 tenanted and 6 managed) were sold to the occupants for a total of £210,770 (the agents' and Valuation Office valuations were £211,750 and £208,450 respectively).

LARGER LICENSED PROPERTIES

164. In advising on the best method of disposal of the larger licensed properties, including the hotels and restaurants, and the brewery, the agents took the following factors into account:-

- a.) The Government's main objective, namely to secure the best possible price but, consistently with this, to provide the maximum opportunity for the Carlisle brewery to continue as a going concern, and, as already indicated, to avoid an undue degree of local monopoly.

b) The fact that the trade of approximately one third of the properties was sufficiently high to be attractive to brewers, a further third was high enough to be attractive in conjunction with the better properties, and the remaining third were low level trading properties which brewers would be unlikely to want to buy separately.

165. In the light of these considerations the majority of the public houses (99 including one off sales premises) which had not already been sold to sitting tenants were divided into four groups, each containing a spread of properties in relation to location, age and size of turnover, (for details, see pages 13 and 14 of Cmnd 5761) and 25 further properties including hotels and restaurants and the brewery, were "lotted" individually. The method of sale was by inviting tenders, which the agents considered, had the following advantages compared with sale by public auction. From the Government's point of view it made it possible to decide which tender would best achieve the main objectives referred to in the preceding paragraph (including the intentions of those tendering for the brewery), and from the point of view of getting the best price, the agents' experience was that when a number of public houses were offered by tender, the highest bid was usually considerably above the other bids (on the whole, this turned out to be the case). From the point of view of a prospective purchaser, the tender procedure had the advantage of enabling him to select the group or groups of properties which he wished to acquire.

166. The invitation to tender was published in September 1972 (prior information had been given to Parliament in an Answer to a Question.) The document (an extract about the General conditions of sale is attached at Annex B1 to this memorandum) gave particulars of each of the properties in some cases including photographs and, where applicable, of their grouping, and set out the general conditions of sale. A prospective purchaser could tender for any one or more of the four groups, or for any lot or lots not comprised in a group, or for any combination of groups and lots not comprised in a group; but a person whose tender was in respect of or included a group also had to tender for certain specified lots associated with that group, at separate figures for each of the lots. This condition was designed to ensure that few, if any, properties remained unsold at the end of the exercise. Thus, a person whose tender was in respect of or included Group 1 (a selection of town and country public houses) was required to submit separate bids for the Citadel Restaurant, Carlisle, the Crown Hotel, Wetheral, the Queen's Hotel, Silloth, and the Kildare Hotel, Wigton. But a person tendering for one of these associated lots was not required to bid also for the group with which they were associated. He could confine his tender to one or more of the lots, and it did not therefore follow that the successful tenderer for a group automatically acquired the associated lots; this depended on the tenders received from other sources also. Thus the successful tenderers for Group 1 were also successful in their tender for the Citadel Restaurant, but other tenderers succeeded in respect of the three other 'associated lots' mentioned above. In accordance with normal practice, a purchaser was required, on completion, to purchase the stocks of the property (beers, wines, spirits, tobacco etc).

167. Tenders had to reach the London agents not later than 13 November 1972, and those whose tenders were accepted were to be informed by letter sent not later than 31 January 1973.

168. An announcement about the tenders accepted was made on 5 January 1973. As Parliament was in recess at the time, the announcement was made by way of a Home Office press notice, of which copies were placed in the Libraries of both Houses. In one case, a country public house, the sale by tender was not proceeded with, and the premises were subsequently sold by auction for £8,100 compared with the tender of £5,600. Details of the completed sales by tender were given in Cmnd 5761, pages 15 and 16. Some of the main features were:-

a) The total of the tenders was £5,627,115 (compared with the agents' and Valuation Office valuations of £3,643,300 and £3,797,475 respectively). This total includes the £51,150 tender for the Scheme's offices referred to in paragraph 159 above.

b) As was to be expected, the four groups were acquired by brewery firms. The same firm acquired groups 2 and 4 and also the Central Hotel, Carlisle, the largest of the state hotels, which was 'associated' with group 4. The three firms concerned were Northern ones, but not 'local': there were no privately-owned breweries in the statutory district. Three public houses were, however, acquired by a Cumberland brewery. Six hotels and two public houses were acquired by individuals or non-brewery firms.

c) The sales therefore achieved the objectives of a satisfactory return to the Exchequer and the avoidance of local monopoly. All State management trading ceased on 31 August 1973.

THE BREWERY

169. The brewery was among the properties included in the invitation to tender document referred to at the beginning of paragraph 166 above as a separate lot not 'associated' with any of the four main groups of licensed properties - ie a firm or individual tendering for one or more of the groups was not obliged to tender for the brewery as well. Included in the sale were three houses let at the time to the Head Brewer and two other brewery employees.

170. In contrast with the sale of the licensed properties, the disposal of the brewery was a difficult and protracted affair. The highest tender was submitted by a Mr Peter Lewis, a local business man whose firm, Peter Lewis Associates, had interests in the Midlands and South America. The amount of the tender, £90,000 was far below the agents' and the Valuation Officer's valuations of £147,700 and £190,000 respectively. It was however more than double the only other tender received. Moreover, it was Mr Lewis's intention to continue the brewery as a going concern. It had been recognised all along that it might not be easy to find a firm or individual who was prepared to do so and, if Mr Lewis's tender was not accepted, there was the risk that at the end of the day the brewery would have to be sold to someone who was interested merely in its site and break-up value. (The brewery ceased production in May 1973 and was being looked after by a small caretaker staff.) In that event, the Government would have come in for strong criticism in Parliament and locally for not ensuring the continuance of the brewery and the local employment which it provided; moreover the site and break-up value would, the agents advised, be a good deal less than £90,000. It was therefore decided to accept Mr Lewis's tender.

171. Mr Lewis was due to complete the sale on 26 June 1973, but he did not do so and by September of that year it had become clear that he would be unable to complete. Arrangements were therefore made to put the brewery up for sale by public auction but in November 1973 an offer of £90,000 was received and accepted from Messrs Holland and Threlfall (Norden) Ltd, a building firm whose intention was to operate the brewery through an associate company which had club connections which would provide an outlet for the brewery's products. This transaction, too ran into difficulties, and in March 1974 the agents for the disposal of the Scheme were approached by T & R Theakston Ltd of Masham, Ripon, North Yorkshire, an independent family brewery established in 1827, who considered that the Carlisle brewery would provide the extra capacity and other facilities which they were seeking for an expansion of output to meet the growing demand for their products, in particular their draught beers. Following negotiations between Holland Threlfall and T & R Theakston, the Government agreed that the contract should be assigned to the latter, and the brewery was by this means sold to them for £90,000 on 28 May 1974.

172. The objective of ensuring the continuance of the Carlisle brewery was thus finally achieved and - while any account of further developments goes beyond a history of the State management scheme as such - it is gratifying to record that F & R Theakston restarted the brewery in September 1974. The bottling and kegging of all their beers is now carried out at Carlisle which provide a base for development of sales to "free" houses in the Lake District and other outlets and their Carlisle brewed "Gumoria Premium Bitter" is, by arrangement with Greenall Whitley & Co Ltd, also on sale in the Central Hotel and the other licensed premises which the latter firm acquired in the District. As expansion proceeds, F & R Theakston have re-engaged some former State management employees, in addition to the existing caretaker staff which was in post when they acquired the brewery and whom they continued to employ.

STAFF

173. This section relates to the staff who were directly employed by the Scheme. The position of the relatively few tenants who rented their premises and took their supplies from the Scheme, but otherwise ran their businesses on their own account, is dealt with in paragraphs 161-3 above.

174. As indicated in paragraph 136 above, the number of staff in post immediately before the introduction of the "abolition" legislation in 1971 was 1165. Their composition reflected the wide range of the undertaking - General Manager and heads of Departments and supporting office staff; hotel and public house managers; barmen, barmaids and hotel staff; brewery and works staff. At the outset and in the earlier days of the Scheme, the position of most of the staff was comparable with that of an equivalent commercial undertaking, and the General Manager had a fairly wide authority to hire and fire. Latterly however staff were employed on more specific terms which gave greater job security and improved compensation in event of redundancy. Of the 458 full time staff in post in early 1971, 241 were established civil servants: this figure included 74 public house managers or managerses, 8 hotel managers, and 59 hotel and restaurant staff. Another factor affecting the public house and hotel managers was that from 1950 (ie when the Home Office had taken over the functions of the previous "Central Office" - see Paragraph 107 above) the managers of the larger premises were classed as "non-industrial" which meant that they had higher salaries, shorter hours and improved annual and sick leave conditions as compared with their "industrial" colleagues in the smaller public houses. (The differences in conditions of service between "non-industrials" and "industrials" in the civil service are however now being progressively reduced.) Of the 105 public house managers or managerses in post in early 1971, 72 were industrials and 22 were non-industrials. All 11 hotel managers were non-industrials.

175. During the Parliamentary debates on the abolition Bill, a good deal of concern was expressed about the future of the staff. The Home Office had needed no prompting on this point. On 19 January 1971, the Permanent Under Secretary of State, Lord Allen, wrote to all members of the staff informing them of the announcement which the Home Secretary was making that day of the Government's decision to abolish State management. After recognising that the disposal of the Scheme "would be bound to give rise to many personal problems and create an understandable feeling of uncertainty for the staff" Lord Allen went on to say that "We in the Home Office will do our best to help in any way we can. In particular, you will be told how your own future position will be affected as soon as this becomes clear". A copy of the letter is at Appendix D.

176. As Government Ministers explained during the passage of the Bill (*H.C. Deb., STANDING COMMITTEE D, 4 MAR 1971, col 28*) the governing principles were that those staff who could not be found employment within the Civil Service and who became redundant would receive appropriate compensation under the Superannuation

Acts or the Redundancy Payments Act 1965, whichever was the more favourable.

The Home Office would deal individually with the position of each member of the staff and do all that was possible to safeguard his interests. In the application of these principles, discussions took place at Carlisle with the local management and representatives of the staff associations and trade unions concerned and special tribute is due to the latter for the way in which, while rigorously pursuing their normal role and obligations as staff representatives, they co-operated fully with the Home Office in settling any general or individual problems throughout the period of disposal. In addition to these discussions, representatives of the Home Office Establishment Department visited Carlisle from time to time to meet members of the staff and to discuss their particular problems.

177. The efforts of the Home Office and local management to ensure a gradual and orderly process of staff "run down", and to facilitate or assist staff in finding alternative employment were eased to some extent by the fairly protracted disposal of the Scheme's properties. In most cases, the 6 months' notice of termination of employment, to which the majority of the staff were entitled, did not take effect until 31 May 1973, and some of those affected were retained for a while beyond that date. Others had already found or been helped to find alternative employment in the Home Office or other Government departments (local VAT offices had been opened in Carlisle, for example). The position at the final disposal of the Scheme was that, of the non-industrial staff, 51 had transferred to other posts in the Home Office or other Government departments, 48 had their services terminated on redundancy with compensation, and 18 resigned without compensation or retired. Among those who retired were the General Manager and Assistant General Manager, who remained in office for the final wind up following the sale of the brewery in May 1974. A number of public house managers and staff continued in the same jobs when the premises were taken over by their new owners without detriment to their entitlement to redundancy payments or "loss of office" compensation from the Government. Of the industrial staff, 2 transferred to other Government departments, 579 had their services terminated on redundancy with compensation, 94 retired without compensation and 349 were not eligible for any compensation award. (Details in Appendices E and F.)

OTHER MATTERS

Information about tenders

178. In reply to a Parliamentary Question, Mr Ron Lewis, the Member for Carlisle, was told that details of unsuccessful tenders would not be disclosed. An undertaking to this effect had been given in the general remarks which formed part of the tender documents (Official Report 5 December 1972, Written Answers Col 393-4). This accorded with normal commercial practice.

Requests for grants to local authorities

179. In 1973 the Carlisle City Council and other local authorities in the area represented that grants should be made to them out of the proceeds of the sale of the Scheme, to be devoted to some projects which would provide local amenities and also serve as a memorial to the Scheme. Carlisle had in mind new swimming baths. The Cumberland County Council asked that the proceeds of the disposal should be devoted to the promotion of industry in Cumberland. The local authorities were informed that any such grant was precluded by section 4(1) of the Abolition Act, under which the proceeds of sale had to be paid into the Consolidated Fund.

Local Advisory Committee and State Management Districts Council

180. These bodies were formally dissolved in April 1973. Letters of thanks were sent to the non official members of the Council and to all members of the Local Advisory Committee signed by the Home Secretary in the case of the Council Members

and the Chairman of the Local Advisory Committee. Similar action was taken by the Secretary of State for Scotland as regards the Scottish Local Advisory Committees and members of the Council.

Commemorative Envelope

181. A commemorative envelope was designed by Caerel Stamps, Carlisle (as an independent venture, not associated with Home Office) bearing the legend "Carlisle and District State Management Scheme 1916-1973" with a pictorial representation of a toast being drunk round a convivial table. The envelopes were specially franked by the Post Office "Carlisle Cumberland 31 May 1973 The End of 57 Years of State Liquor Control".

BONDED WAREHOUSE

182. At the time of writing, negotiations are still proceeding for the disposal of a bonded warehouse, which the Scheme held on a long lease from British Rail, and the bottling and other equipment contained therein.

CONTRIBUTIONS TO CHARITIES

183. As mentioned in paragraph 75 above, the Scheme made an annual contribution for charitable purposes, which was allocated as recommended by the Local Advisory Committee. On the demise of the Scheme and the dissolution of the Committee, Mr Ernest Long CBE the former Hon Secretary of the Committee and others approached the principal brewery companies now trading in the District and the breweries concerned (Greenall Whitley & Co, Scottish & Allied Breweries, John Smith Tadcaster Brewery, Matthew Brown & Co (formerly Jennings Brothers) and T & R Theakston) currently contribute a total of £700 annually.

CONCLUSION

184. A history of the Carlisle Scheme might be expected to include something in the way of an assessment, even if this represented no more than the author's own conclusions. The following paragraphs attempt to summarise and bring into focus the main features which emerge from a review of the concept and practice of State management.

185. First, it may be worth recalling that there have been two occasions, 1915 and 1917, when State purchase of the liquor trade on a national scale was within sight. Though the measure would have been taken in the light of special war circumstances, and not because of any attachment to principles of public ownership as such, it is clear that it was contemplated as a permanent one; and it would certainly have been difficult to unscramble. So history would not have had to be very much different for the whole country to have become a "Carlisle". And in 1915 at any rate, it seems to have been the temperance movement, rather than any party political opposition or pressure by commercial interests, which had a hand in saving the trade for private enterprise. Also on a national rather than local canvass, the far reaching powers conferred on the Central Control Board (which in themselves would have permitted the establishment of a series of "Carlisles" up and down the country) and the speed and relative ease with which the enabling measures were enacted, provide an outstanding, though not unique, example of how Government and Parliament can quickly react to and deal with an emergency, however unprecedented.

186. In Carlisle itself, the problem of excessive drunkenness which led to the introduction of "Direct Control" was resolved in less than two years. The lasting features of "Control", and the legacy to the subsequent statutory State Management Scheme, are to be found in the policies which the Board pioneered of disinterested management and, in the longer term more significantly, of public house improvement in design, lay out and amenities, and encouragement of the supply of food; though, as the Board's reports recognised, even the improved public house was on the whole likely to remain a place mainly for drink and good fellowship, and could not and perhaps should not be expected to emulate the café or restaurant. As time went on, the Scheme left the supply of food - sandwiches, pies and the like - entirely in the hands of the public house managers, many of whom, like their private enterprise counterparts, made it a profitable sideline.

187. Another legacy, deriving not from the nature of the social problems facing the Board, but from the economic facts of life, was the extent of the area. The Board's primary purpose would have been served by taking over the public houses in the City of Carlisle and adjacent area up to the Border with Gretna. But as shown in paragraphs 28-9 above, the ramifications of the tied house system led to the planting of the State Management flag from Carlisle to the Solway Firth and West Cumberland, and to the Scheme finding itself the proprietor of hotels in holiday resorts and pubs on village greens.

188. In the fields of administration and organisation, the distinctive feature was that - in contrast with the normal nationalised undertaking or public corporation - the Scheme was the direct responsibility of a Minister of the Crown who was answerable to Parliament not merely for broad policy questions but also for matters of day to day management, including the question of provision of specific facilities - such as darts in the Carlisle pubs, to take an actual example. This feature of direct Ministerial responsibility was reinforced and achieved its logical completion in 1950 when the Home Office assumed the central management responsibilities which could be said to have properly belonged to it ever since the Scheme was put on a Statutory footing in 1921.

189. In theory, this could have led to a heavy and disproportionate burden on Home Office Ministers - floods of Parliamentary Questions and letters from MPs on every aspect or happening great or small. In practice, the involvement was not excessive; in the last five years before abolition the annual average of Questions and Members' letters was some 20. This was no doubt partly because of the local safety valves provided by the Carlisle General Manager and staff - anyone could walk into the Castle Street office with a complaint or suggestion - and by the Local Advisory Committee which operated in many ways as a Consumer's Council. Another factor was that - again in contrast with some of the rationalised industries - the Scheme until the time of abolition was not subject to periodical changes of policy or approach on the part of successive Governments nor to any searching review by Parliament, but was on the whole left to go quietly on its own way.

190. Things might no doubt have been different had Carlisle been 3 or 30 miles away from Westminster instead of 300, or a major centre of population but a more positive reason, it seems fair to say, was the effective operation of the Scheme - and that in a field of activity which would not normally be regarded as particularly apt for the Civil Service. In fact there was plenty of technical as well as administrative and financial expertise available, centrally as well as locally. To mention only one aspect, the Carlisle and Country pubs built or reconstructed in the years between 1950-71 provide visual evidence of the imaginative and practical capacities of the Home Office Architects' Branch.

191. A fundamental aspect of central administration from first to last was the role of the State Management Districts Council, and the incalculable benefit which all concerned, from the Secretary of State to the local management, derived from the advice, encouragement and support of the Council as a whole, and from the expertise of the members drawn from the brewing and catering industries. Like the Scheme itself, the Council, not least by reason of the voluntary nature of its service, and the fact that it functioned smoothly and effectively without the need for statutory recognition or backing, was something unique in the field of public enterprise.

192. In the financial and accounting fields, the annual Estimates procedure and the measure of Treasury control which this entailed might be regarded by some as inappropriate in principle and liable to be frustrating in practice for an undertaking like the Carlisle Scheme, in either its commercial or "liquor control" aspects. Certainly the Home Office officials concerned seem to have felt acutely the refusal of the Treasury in 1921-22 to allow the expenditure necessary to achieve complete control of the trade throughout the Statutory District (paragraphs 61 and 62 above). This however was against the background of a general Government policy of economy and deflation, and one may doubt how far the proposal would have been a political starter in the then prevailing atmosphere. Be this as it may, in the later years of the Scheme at least a fairly harmonious *modus vivendi* was established with the Treasury (cf paragraphs 4 and 5 of Appendix C) and no significant example springs to mind of a project being thwarted.

193. Whether similar organisational financial and advisory procedures could function as - or at all - effectively for a State liquor undertaking on a significantly larger scale is a hypothetical question. But it is some tribute to the principles of public administration, and even more to those concerned with their application in this instance, that in a quite unprecedented sphere of Government activity, they operated on the whole as a stimulus rather than a strait jacket, and provided the background for an undertaking which flourished while it lasted and at its demise sold for more than expected.

194. In its wider aspect, the Scheme was often referred to as a State Monopoly, and not always in a derogatory sense. The removal of commercial competition in

the retail sale of liquor was indeed logically a condition precedent to any effective policy of disinterested management. A monopoly is needless to say also an asset from the commercial point of view; but this was not the primary consideration in the minds of the founding fathers of the Scheme; nor was there any special monopoly of "product" in the Scheme's houses provided a wide range of brands. Moreover, in a large part of the District, the Scheme was always in competition with private enterprise. Even here it had the edge over the latter in that it could prevent any new retail liquor business being set up (though in later years this was modified by the statutory freedom given to certain types of restaurants and hotels, and some liberalisation in the grant of authorites to other businesses). In economic terms however this advantage was significantly offset by restrictions which operated on the Scheme itself: the built in inhibitions and obstacles against a purely commercial approach in the area within which it operated, and the legal impossibility of making any sales outside the area (see paragraphs 137-8 above). While the point is now academic, it could be argued that abandonment of the Scheme's monopoly powers in return for a fully commercial approach, including freedom to sell its products to anyone anywhere who wanted them, would not have been a bad bargain. This however is a far cry from the original principles of disinterested management.

195. As it is, the hallmark of the Scheme, at any rate in the eyes of its customers, was not so much disinterested management as "the provision of decent drink in comfortable circumstances at reasonable prices" (cf paragraph 63 above). Whether or not this was in the last analysis an appropriate function of Government, it was not a bad achievement.

RESTRICTIONS ON LICENSED PREMISES

The regulations of the Board came into force on 22 November, 1915, by the operation of the Western Border Area Order, which, in addition to the usual restrictions, imposed Sunday closing on this part of the area. It was soon found, however, that the regulations were very indifferently carried out, and, pending the acquisition of the properties by the Board, an effort was made to see that they were strictly observed. It may be taken, therefore, that the influence of the Board in Carlisle began to be felt from the beginning of July, 1916.

Simultaneously with the opening of the Gretna Tavern on the 12 July, six licensed premises were closed, this being possible owing to the decision of the Board to acquire the licences only in these six cases. The Board's assumption of direct management of the existing publichouses in Carlisle began on the 24 July, on which day the first house was taken over. Between that date and the 3 November the various houses were taken over gradually.

PROCEDURE OF TAKING OVER LICENSED PREMISES

When licensed premises are taken over, the following steps must be taken. In the first place negotiations are opened with the existing licensee and his staff as to the rate of wages to be paid to them in the event of their desiring to become employees of the Board. On or before the appointed day an inventory and valuation is made of all the trade fixtures, fittings and furniture on the premises. On the day itself stock is taken of all the consumable goods in the house, and from the moment of stock-taking the property in all such goods passes to the Board, from which time the house is managed on the Board's behalf.

Considerable time is taken up in some cases in instructing the licensee how to keep his accounts in the form adopted by the Board, as it is essential that the system should be uniformly carried out. Instances were found where no proper books of account were kept, and in all cases the Board's methods were entirely new to those who had to work under them. A pamphlet of directions, with specimen forms of accounts, has been issued for the guidance of licensees, with good results.

PRINCIPLES OF MANAGEMENT

When the licensee becomes the salaried manager under the Board he ceases to have any interest whatever in the sale of intoxicants, the amount of his wages in no way depending upon this part of the trade. This is most carefully explained, and at the same time it is made perfectly clear that any idea of fostering the trade in intoxicants is contrary to the policy of the Board.

Arrangements are being made to grant a certain commission on the sale of food and non-intoxicants, upon a basis which will be sufficiently attractive to induce licensees to do all in their power to encourage such a trade.

Definite and explicit instructions have been given that all restrictions imposed and directions given by the Board are to be scrupulously observed. It is admittedly a difficult matter for licensees and their assistants to enforce observance at all times, when members of the public deliberately attempt to induce those serving to disregard the terms of the orders. It is believed, however, that in every house the regulations are being strictly carried out.

SUPERVISION OF LICENSED PREMISES

A complete system of supervision, with the necessary inspectorial staff, is very desirable under the circumstances in which the Board's business is carried out at Carlisle.

The former Managing Director of the Old Brewery is in charge of this department as Superintendent, and under him there have been appointed three inspectors who, with the help of assistant inspectors on special occasions, perform this work. It would have been better had it been possible to employ as inspectors persons who were not themselves holding licences. This, however, was impracticable owing to the difficulty of finding housing accommodation for persons giving up their licensed premises to become whole-time inspectors or for others brought to Carlisle. This housing question has greatly restricted the Board in its choice of officials, as unless some guarantee can be given to strangers that they will be able to find accommodation at a reasonable rental it is almost impossible to appoint them to vacant posts.

The difficulty was therefore overcome by selecting three of the existing licensees to act as inspectors, and giving them such assistance in their houses as would relieve them from constant supervision of their own premises. This arrangement is admittedly imperfect, and steps will be taken to improve it as and when circumstances permit. Even under existing circumstances all the houses are constantly visited, with the result that, according to the testimony of the police, the conduct therein has been greatly improved.

STOCK-TAKING

The conversion of all licensed businesses in Carlisle to the managerial system involved the creation of a stock-taking department in connection with the Central Office.

The importance of stock-taking in a managed-house system cannot be over-estimated, as upon it depends the success or failure of the whole of the retail trade. Fortunately an assistant connected with one of the retail businesses proved to be an expert stock-taker, but the Board were faced with the serious problem of having to find stock-takers at short notice to carry on this branch of the work.

After endeavouring without success to engage suitable persons by means of advertising and otherwise, the Board were fortunate in obtaining through the kindness of one of the leading brewery firms of the country, the temporary loan of two stock-takers, which loan has now been extended to cover the period of the War. A staff was engaged which was effectively trained by these three men in the most approved system of stock-taking, and a high standard of efficiency has been obtained. The result is that the Board are now obtaining returns from their retail houses which will compare favourably with any similarly managed concerns of the big brewing firms.

CONDITION OF LICENSED PREMISES

It is patent to all observers that the public houses in the prominent positions in Carlisle are incapable of doing the trade which is now required of them. While the existing buildings may have been amply sufficient for their normal trade before the War, since the advent of the Great War they have been continually congested during the week and grossly over-crowded on Saturdays.

The internal division of many of the houses into a number of small rooms and snugs makes supervision exceedingly difficult. The Board therefore decided at an early date that it would be necessary to remodel some of the houses entirely, and to effect rearrangements in others, so as to be able to cater, in a proper manner, for the increased trade, and to provide facilities for obtaining food as well as intoxicants.

Some of the public houses when taken over were found to be in a very neglected condition as regards the fittings, furniture, and cellar accommodation. This is explained to be due to the fact that for the twelve months before the Board assumed control the licensees were too busy with the extra trade with which they had to cope to attend to these matters. The difficulty of obtaining workmen for such purposes has also been given as another reason.

An endeavour is being made to cope with these conditions as opportunity offers, but the labour conditions make it more difficult to do so as time goes on, and progress in this direction will necessarily be slow. Immediate attention is being paid to the cellars in order that the beer may be served in as good a condition as possible.

EXTERNAL APPEARANCE OF PUBLIC HOUSES

It has been decided that as soon as possible all advertisements relating to the sale of intoxicating liquor shall be removed from the exterior of public houses. This will necessarily take time, as it will involve the re-painting of the majority of the houses. The display of bottles in the windows is also being abandoned, and it is hoped that in the course of time no adventitious aid will be given to the sale of intoxicants in the City.

ENGAGEMENT OF LICENSEES

With one or two exceptions, all the persons who held licences when the Board took over their premises were given the opportunity of becoming paid managers under the Board. The vast majority elected to accept service, and for the most part are still employed.

Criticisms - diametrically opposed - have been freely made both in Carlisle and elsewhere to the effect that on the one hand the claims of existing licensees were not being sufficiently recognised, and on the other, that it was unreasonable to expect a change of policy in the management of public houses to be effected by persons who, having been tenants, would not be in sympathy with the Board's policy and might be pleased to see it fail.

Rightly or wrongly, the Board determined to give practically all the existing tenants the opportunity of "making good", and, speaking generally, they have shown that they are quite ready to carry on the business to the best of their ability under the new conditions laid down by the Board. There has been no turning of "old men and old women" out of their houses, as has been alleged by critics of the Board's operations.

CONSTRUCTIVE WORK

Important as the restrictive side of the Board's work in the Carlisle district undoubtedly is, the constructive measures which the Board have taken are no less important. These may now be considered.

1. Supply of Food. It is well known that alcohol will affect a hungry man more quickly than one who has fed. On this physiological fact the Board based their practice of supplying food, so far as they were able, at many of the places where drink was sold. In a large number of the City public-houses this was given a prolonged trial, but was not found to meet any demand. In a few, however, the sale of meat pies, bread and cheese, and the like, has been maintained with fair success throughout all the time the Board have been at Carlisle. x

For the better organisation of the food trade, a Catering Superintendent has been appointed, who has charge of the supply of food, both at the taverns and at the Board's hotels, as well as at the public-houses where meat pies, etc, are still sold.

The result of the trial seems to show that unless a house is in a district where there are workers or business people at a distance from their homes, the public-house as at present constructed is regarded as a place for obtaining liquid refreshment only. No one wishes to persuade people to make a practice of having food away from home unless circumstances compel it.

More successful has been the Board's experiment with what are generally known as the "Food Taverns," the first of which was the well-known "Gretna Tavern." This was opened in July 1916, very soon after the Board commenced operations in Carlisle, and was designed to provide for the navvies and munition workers a comfortable place where a substantial meal, with beer, could be obtained at a reasonable cost. A part of the old Post Office, in the centre of Carlisle, which was then vacant, was placed at the Board's disposal by the Postmaster-General, and the sorting room, a large, lofty, and well-lighted hall, was converted into a dining room for the benefit of those who wanted refreshments as well as drink. It has always been popular. At mid-day, and in the evening meal hour, it was crowded by the navvies at first and later by the constructional workers, as they returned from their work. At subsequent stages, when the workers at the Factory changed, the Gretna Tavern remained a favourite rendezvous for the munition girls, and it still thrives on a trade larger than ever.

The "London Tavern," another venture of a similar kind, has not been so successful, so far as the sale of food is concerned. The premises of an unregistered club in a well-populated working-class district near some large engineering shops and railway goods yards were acquired and altered to provide a dining-room, kitchen, and bar. At the same time an old and ill-constructed public-house near by was closed. This tavern is too far from the centre of the town to do a large food trade, the majority of those employed at the neighbouring shops and yards living near at hand, and having their meals at home.

In addition to the arrangements made for supplying food at the ordinary public-houses and meals at the two taverns just noted, the Board have established dining rooms in five of the City houses, which have been extensively remodelled, but these are more particularly described in the section on reconstruction. It may be said here, however, that they have evidently met a real demand, as the dining rooms are largely used for meals during the usual meal hours.

That the provision of food in selected public-houses is popular is proved by the figures of the takings for food at these places. During 1918 the takings for food

at the seven taverns at Carlisle amounted to no less than £16,370, and represented 33.1% of the total takings from all sources at such houses.

It may here be noted that the actual total takings for food at all the Board's managed houses had increased in the year 1918 by no less than 67% of the corresponding total for 1917. It is true that during the year under review the number of hotels taken over was greater than in 1917, which naturally swells the figure of the food takings, but this fact accounts for only a part of the increase, and in any case it is a sufficient indication, if one were needed, that the Board recognise the provision of food to be one of their main duties, and are discharging that duty in an increasing measure.

A word may be said, in passing, on the sale of food at certain of the food taverns for consumption "off the premises." There is a very considerable demand for female labour at some half a dozen large factories in the City, the result being that in many cases the women of the house are out all day, and the provision of proper meals at mid-day is difficult, if not impossible. That such cases are not isolated ones is proved by the number of children who come at meal times for soup and hot food to be taken away and consumed elsewhere. The part of the premises where the food is sold for "off" consumption is at some distance from the entrance to the drinking portion of the house, so that purchasers do not need to enter the public-house at all, the business being done through a hatch or in a little shop specially designed for the purpose. This "off" sale of food is carried on at four Carlisle houses, and at the "Globe," Longtown, and has certainly proved a boon to large numbers of the poorer inhabitants in providing them at a low price with a hot meal which they could not otherwise have obtained.

The conclusion seems to be twofold - (1) that the provision of food in the ordinary public-house is not appreciated and meets little demand, (2) that in special cases a food trade can be developed as a profitable enterprise and to the benefit of the public.

ii. Reconstructed Premises. The full scheme of reconstruction which the Board originally contemplated has not yet been fully carried out owing to the lack of labour and materials. The reconstruction of certain premises in Carlisle was, however, commenced as soon as possible, and these have been carried through. The "Graina" and "London" Taverns have been already noted. At a later date the "Pheasant," in Caldwellgate, was reconstructed on the lines of a food tavern, proper provision being made for the cooking and service of meals, in addition to the ordinary facilities for the supply of intoxicants. As there are a large number of women employed in this district, a special room for meals was provided upstairs, with a separate entrance from a side street, where intoxicants are not sold. There is also a rest room for women adjoining this room.

Following this the "Albion," in Botchergate, a busy shopping thoroughfare, was converted into a food tavern. The "Goliath," in one of the poorest parts of the City, was re-modelled shortly afterwards, also as a food tavern. Later still two public-houses near the railway sidings were merged into a single house under the name of the "Irishgate" Tavern, where a kitchen and dining room were provided, and finally two large public-houses in the main street of the town were gutted, and while the frontages were made into two handsome shops, the back portions were transformed into a licensed restaurant known as the "Citadel" Tavern. It is of a somewhat more elaborate character than the other reconstructed premises, with dining rooms and a well-fitted bar, and was designed to meet, and has met, the trade usually found in the centre of a town.

In all these instances the demand for food has exceeded expectations, and what is more pleasing, it is, to all appearances, new trade, and it has steadily increased; it

seems to show that dining rooms in selected public-houses were needed, and that they are appreciated.

In the autumn of 1918 the "Joiners' Arms" Inn, Caldengate, was reconstructed, not like the former houses, as a food tavern (since the "Pheasant" was immediately opposite), but as an ordinary public-house.

At Longtown the "Globe" Inn was pulled down and re-built on extensive lines, with provision for meals, and with a bowling green outside. At an earlier date part of the out-buildings of the "Graham Arms" hotel was converted into a coffee tavern, which was largely patronised for meals by the constructional workers during 1916 and 1917. This was discontinued later when the facilities for food at the "Globe" Tavern were provided, as there was not enough food trade in such a small town for the two places.

These are the only reconstructions which have been possible hitherto, but as labour and materials become more plentiful, further schemes will be brought up for consideration.

iii. Food at Country Inns. In order to meet any demand there might be for meals at the country inns in the district, the Board are providing and furnishing at suitable houses a special room where teas and light refreshments can be served. A beginning has been made and the necessary work has been carried out at a few of the houses. Here the food will not be provided by the Board, but the manager will do the catering and will take the whole of the profit. It is hoped that this provision by the Board of suitable accommodation, and the encouragement given to the managers to supply meals, will ensure in that part of Cumberland to which the Board's operations extend that no traveller will ever be refused refreshment of a non-alcoholic kind.

Notwithstanding the difficulties of food supply in the past year, many of the country inns have done quite a considerable trade in food, and it is believed that as the food situation becomes easier this trade will grow. There is little demand for meals during the winter months, but as some slight indication of the demand during the summer, it may be mentioned that 4,856 meals were provided in the month of September 1918, at the 62 licensed houses outside the City of Carlisle (excluding hotels), which were then under the Board's management.

iv. The "Trades Hall". The "Lion and Lamb" Inn, a large old-fashioned house in a central position in Carlisle, was closed as licensed premises, but the rooms were re-decorated and let off for meetings. The building was re-named the "Trades Hall," and has been regularly used by many of the local Trade and Friendly Societies. In this way it has become the home of a number of such bodies, whose meetings were previously held in public-houses.

v. "Mounsey Arms", Rockcliffe. An experiment on the lines of a village club has been made at Rockcliffe, a small village about five miles from Carlisle. The two inns in the village were closed and the village institute was taken on lease by the Board. Here beer is sold and other refreshments (but not wine or spirits). It is too early yet to say whether the experiment can be called a success, as those most likely to use it, the young men, have been absent on military duty.

vi. Coffee Carts. As occasion required, and at frequented spots, the Board have provided coffee carts for the sale of tea, coffee, and light refreshments. These coffee carts were established for the benefit of munition workers and were much appreciated. The only one now in commission stands outside Carlisle Station from 10 pm to 7 am each week-night, and notwithstanding that the munition workers' shift trains do not now run at nights, this cart still does sufficient trade to justify its retention.

vii. Hotels. In the course of taking over the licensed premises in the controlled area, the Board have had occasion to acquire a number of hotels as distinct from

the ordinary public-houses or inn. These are carried on in much the same way as before. They were conducted as hotels before the Board took them over, and no change except in re-decoration, furnishing, and equipment has been made in their status. Like all the licensed premises, they have been placed under the direct management of the Board, and managers with previous training have been appointed. Among these may be mentioned the "Crown" hotel, Wetheral, a popular fishing hotel on the Eden; the "Victoria" Hotel, Carlisle, a commercial and residential hotel near the station; the "Solway" Hotel, at Silloth, which, by reason of its proximity to the excellent Silloth Golf Links, is largely patronised. The "Marine", a first-class residential hotel at Skinburness, near Silloth, does a good seasonal trade; while the "Waverley", at Silloth, is well filled in the summer months.

Other hotels have also been decidedly improved by the Board's acquisition. The "Graham Arms" Hotel, Longtown, for example, which formerly had a considerable reputation as a fishing hotel, adjoining the well-known Border Esk, was, when the Board took it over, devoted almost exclusively to the supply of drink to the crowds of navvies employed at the Gretna works, who lived in and near Longtown. It has been restored to its former character, and, under skilful management, it is again becoming the resort of anglers. Being on the Carlisle and Edinburgh main road, it will no doubt be a favourite house of call for motorists when the petrol restrictions are taken away.

The "Golden Lion" Hotel, Maryport, is a similar example. It is the only building in the town of Maryport designed and carried on as a licensed hotel. Latterly it had declined considerably, but when the Board took it over it was re-decorated and placed under direct management, with results which have abundantly justified their action.

In the same way the "Grapes" Hotel, Aspatria, which, when the Board took it over was almost entirely a drinking house has been re-furnished, and now does a fair country hotel trade.

The "Kildare" Hotel, Wigton, is in a different category. The old posting hotel at Wigton, the "King's Arms", was in a very poor condition as regards structure and decoration, and had not for some time been conducted as a residential hotel. It would have involved a very large expense to have made it fit for its former use, and the Board decided to look elsewhere for more suitable premises. They were fortunate in finding and being able to purchase at a reasonable price a house which had been constructed for a club. This building has been equipped and furnished in accordance with its handsome design, and will now compare favourably with the principal hotel in any small country town.

Minor Improvements in Public-houses. In addition to the reconstructions which have taken place, steps have been taken to make the remainder of the public-houses more comfortable, more easily supervised, and of a more cheerful character generally. With a poor structure to work on it has been difficult to do much in some of the houses, but by re-decoration, providing seats, and removing objectionable snugs and partitions which obstructed the proper supervision, a considerable improvement has been effected.

Practically all the back doors which were formerly used for trade purposes have been closed, and as far as possible the trade is conducted on lines which have been generally approved.

There is admittedly much to be done in the way of structural improvement, especially in the country districts, but as the scarcity of labour and materials becomes less marked a systematic effort will be made in this direction.

CARLISLE DISTRICTBird-in-Hand, Oulton

went to this house and explained fully to Miss Rumney the powers under which we were acting and her position as manager under the Board when the house was taken over. She was anxious that she should be allowed to retain her property, but I explained that that was impossible, but that we should pay her full value, and that she would be able to invest the money and receive the interest. I also told her that we should pay interest at the rate of 5 per cent from the date we took over until the date the money was paid, which probably would be about two months, but that for all practical purposes when Mr Wallis had settled the amount it might be regarded as the amount that would be paid.

With regard to the taking over, Miss Rumney desired to discuss the matter with Mr Hetherington, and I stated that we would not seek to take over until she had done so. I promised that she should be paid £1 per week, and be allowed 10/- a week for cleaning, as she had been in the habit of having a woman in to clean for many years. She had no means of leaving the house unless she got somebody in to help her one day a week.

I arranged that we would take over all the furniture in the front public room except a corner cupboard, a fender a settee and two or three chairs in the back room.

Carlisle
5th July, 1918.

General Conditions of Sale

1. Every person desiring to purchase any of the property described in the foregoing Particulars shall fill in and sign the printed Form of Tender which has been supplied and shall enclose the same in the envelope provided and shall send the same to Sidney & Graham Motion, 18 19 Savile Row, London, W1X 2B2, so as to arrive on or before the 13th day of November, 1972.
2. (a) The properties described in the foregoing Particulars as Lots 1 to 26 inclusive are hereinafter together referred to as Group 1.
 (b) The properties described as Lots 27 to 50 inclusive are hereinafter together referred to as Group 2.
 (c) The properties described as Lots 51 to 76 inclusive are hereinafter together referred to as Group 3.
 (d) The properties described as Lots 77 to 101 inclusive are hereinafter together referred to as Group 4.
3. Tenders may be made for any Group or Groups made up as above mentioned or for any Lot or Lots not comprised in a Group or for any combination of Groups and Lots (not being Lots comprised in a Group) but a person whose tender is in respect of or includes a Group shall also tender for certain Lots (hereinafter called "associated Lots") namely, a person tendering for:
 - (a) Group 1 shall also tender at separate figures for each of the associated Lots, being Lots 102, 113, 116 and 120, and a person tendering for
 - (b) Group 2 shall also tender at separate figures for each of the associated Lots, being Lots 103, 105, 112, 117 and 121, and a person tendering for
 - (c) Group 3 shall also tender at separate figures for each of the associated Lots, being Lots 104, 108, 114, 118 and 122, and a person tendering for
 - (d) Group 4 shall also tender at separate figures for each of the associated Lots, being Lots 106, 107, 115 and 119.
4. The Vendor does not undertake to accept the highest or any tender and if tenders are made by one person for two or more Groups or Lots at separate prices the Vendor may accept a tender for one or more Groups or Lots from such person without accepting his tender for other Groups or Lots and in particular the Vendor may accept a tender for an associated Lot by a person who has also tendered for a Group and who has been required to tender for such associated Lot by Condition 3 hereof without accepting the tender of that person for the Group with which that Lot is associated PROVIDED THAT if a tender is made of one entire sum for any combination of Groups and or Lots the Vendor shall either accept such tender as a whole or reject it as a whole. If in the opinion of the Vendor a tender does not comply with these conditions or is ambiguous in some respect the Vendor shall be entitled (but shall not be bound) to make enquiries from the person from whom such tender is received as to his intentions in making such tender and to regard the tender as amended in any manner which may be agreed by correspondence but so that no increase or decrease shall be permitted of the total sum offered by any such tender for all the property in respect of which it is made.
5. (a) Any person whose tender is accepted shall become the Purchaser of the property for which such tender was made and shall be informed of the acceptance of his tender by letter sent to him by post not later than the 31st day of January, 1973, addressed to the address given in his tender and the contract resulting from such acceptance of a tender shall be concluded from the moment of posting of such letter and shall be a contract between the Vendor and the person who has made the tender which shall not be capable of assignment to any other person without the previous written consent of the Vendor.
 (b) Each purchaser shall within fourteen days after the posting of such letter of acceptance pay to the Vendor a deposit of £10 per cent of the amount of his tender and in this respect time shall be of the essence of the contract.
 (c) Persons whose tenders are not accepted shall be notified by letter posted not later than 21st February, 1973.
6. (a) The Purchaser of each Lot (other than the Lots specified in paragraph (c) of this Condition) shall also take and pay for at a valuation to be made in manner hereinafter provided as on the completion date or as near thereto as circumstances will allow all beer wines spirits mineral or aerated waters cigars cigarettes and tobacco and all other consumable stocks-in-trade appertaining to the business carried on and all Carlisle Brewery cases containers crates and bottles and the amount of such valuation shall be paid with the balance of the purchase money on the completion date or as soon thereafter as such valuation shall have been agreed or determined and for the purposes of these Conditions shall be deemed to form part of such balance and such valuation shall be made by agreement between the Vendor and the Purchaser but if they fail to agree the amount of such valuation shall be determined by reference to an independent expert acting as an expert and not an arbitrator nominated by the President for the time being of the Association of Valuers of Licensed Property on the application either of the Vendor or of the Purchaser and the costs of such expert shall be borne equally by the Vendor and the Purchaser and the decision of such expert as to the amount of such valuation shall be final and binding on the Vendor and the Purchaser.
 (b) The Vendor will accept the return at the Carlisle Brewery Caldewgate Carlisle within thirty days after the completion date of all cases containers crates and bottles supplied by Carlisle Brewery included in the valuation made or to be made in accordance with paragraph (a) of this Condition and will allow the Purchaser an appropriate refund in respect of any such cases so returned for which he has paid as provided above.
 (c) This Condition shall not apply to the tenanted Lots being Lots 15, 19, 22, 25, 39, 42, 43, 44, 48, 50, 63, 64, 69, 70, 72, 75, 90, 92, 95, 99, 101 and 119 and shall apply to Lots 109 and 110 (The Brewery premises and the Maltings) subject to and as varied by the Special Conditions of Sale relating to the two last mentioned Lots.
 (d) For the purposes of this Condition the value of crates (wooden or plastic) and bottles shall be deemed to be the amounts of the deposits charged thereon by the Carlisle Brewery namely 20p for a pint crate 30p for a half pint crate 2p for a pint bottle and 1½p for a half-pint bottle.
7. All the trade fixtures fittings effects and chattels owned by the Vendor are included in the sale of each Lot (except Lots 109 and 110 to which Special Conditions apply) and the Purchaser may if he so desires submit to the Vendor a valuation of such of the same as are transferable by delivery and if such valuation is agreed by the Vendor the amount thereof shall not be included in the consideration for the purposes of the assurance of the property to the Purchaser but shall be paid to the Vendor as part of the balance of the purchase money and a separate receipt shall be given for the same and if any dispute shall arise as to which of the said fixtures fittings effects and chattels are transferable by delivery and to be included in the said valuation or as to the amount of any such valuation thereof the decision of the Vendor shall be final and binding upon the Purchaser.

General Conditions of Sale—continued

8. The National Conditions of Sale Eighteenth Edition (hereinafter referred to as "the National Conditions") shall be incorporated herein so far as the same are not inconsistent with the following conditions and with the Special Conditions hereinafter referred to in Condition No. 13.

9. Each Purchaser shall complete his purchase at the office of the Treasury Solicitor at 35 Old Queen Street London SW1 on such date (being not earlier than three months nor later than five months after the posting of the letter of acceptance of his tender pursuant to Condition 5 (a) hereof) as shall be specified by the Vendor in such letter of acceptance. Provided that the date for completion of the purchase of Lot 111 (the Scheme offices), shall be such date as is specified in the Special Conditions relating to that Lot, and Provided Further that if the Vendor accepts a tender of an entire sum for a combination of Groups and/or Lots which include Lot 111 the Vendor shall be entitled to specify in accordance with this Condition a date for completion of the purchase of the property other than Lot 111 comprised in such purchase which is earlier than the date for completion specified for Lot 111 by the Special Conditions relating thereto and for that purpose the entire purchase money shall be apportioned between the property other than Lot 111 comprised in such purchase on the one hand and Lot 111 on the other hand and such apportionment shall be made by agreement between the Vendor and the Purchaser or in default of such agreement shall be made and determined by the Vendor's agents, Messrs. Sidney and Graham Motion.

10. Except where otherwise mentioned in the Special Conditions referred to in Condition No. 13 the Title to each Lot shall consist of a copy of the Notice served by the Central Control Board (Liquor Traffic) under Regulation 7 of the Defence of the Realm (Liquor Control) Regulations 1915 and the Purchaser shall assume without requisition or enquiry that by virtue of the service of such Notice the fee simple in possession of the property or such other interest therein as may have been specified in the Notice became vested in the trustees for the said Board and has since by virtue of Section 15 (2) of the Licensing Act 1921 become vested in the Vendor.

11. The Vendor sells and will convey as Trustee.

12. The property will on sale become subject to all matters arising under the Town and Country Planning Acts and (so far as the same is affected thereby) the Rent Acts to building regulations and also to the bye-laws of the local authority and no warranty shall be implied as to the permitted use of any Lot or that the property comprised therein conforms with such regulations or bye-laws and the Vendor shall not be required to furnish any information as to rent limits for the purposes of the Rent Act 1968 or as to whether Part II of the Landlord and Tenant Act 1954 applies to any tenancy or as to whether the property is affected by any other statutory enactment.

13. So far as it is affected thereby every Lot is sold and will be conveyed subject to the Special Conditions of Sale which are available for inspection at the office of:

- (a) The Treasury Solicitor, 35 Old Queen Street, London, S.W.1; and
- (b) The Carlisle State Management Scheme, 17-19 Castle Street, Carlisle.

Copies or abstracts of any documents referred to in such Special Conditions which concern matters to which the property is sold subject or of which it has the benefit are (unless otherwise mentioned therein) also available for inspection at the offices specified above and the Purchaser shall be deemed to have full notice of the aforesaid Special Conditions and of the matters referred to therein notwithstanding any partial or incomplete or inaccurate statement in the Particulars or in such Special Conditions or in such copies or abstracts.

14. The National Conditions shall be varied as follows:

- (a) In Condition 1 (4) "£8.50 per cent per annum without deduction of tax" shall be substituted for "the rate specified in the Special Conditions or if no rate is so specified, then one per cent over the Bank Rate"
- (b) Conditions 4 (3), 6 (1) (ii), 15 and 20 shall not apply
- (c) In Condition 19 (3) six weeks shall be substituted for ten days
- (d) The property is not insured and Condition 21 shall not apply
- (e) In Condition 22 twelve months shall be substituted for six months
- (f) Occupation of the property by the Vendor pursuant to General Condition of Sale No. 19 shall not be deemed to be beneficial occupation thereof for the purposes of Conditions 5 (3) and 6 (1) (iii).

15. The Vendor has hitherto been the owner of other property adjoining or adjacent to certain Lots and (where such circumstances apply) the Purchaser shall take the benefit of and shall take subject to all such easements rights and ancillary provisions as have been or shall be reserved to or granted by the Vendor on the sale of any such adjoining or adjacent property in order to preserve for the benefit thereof and for the benefit of any such Lot the existing amenities thereof respectively.

16. If the Vendor will after completion retain the ownership of any land adjoining or adjacent to the property sold the assurance to the Purchaser shall (if the Vendor so requires) contain:

- (a) an exception and reservation in fee simple of all cables wires pipes drains and channels (if any) in on or over the property sold and serving any land retained by the Vendor and the right to the free passage of electricity gas water and soil through the same to and from such land together with all appropriate easements rights and privileges for repairing maintaining renewing and removing the same; and
- (b) a declaration that the conveyance shall not include or confer any easement liberty or privilege over or in respect of any adjacent or neighbouring land retained by the Vendor except such easements as are thereby expressly granted.

17. The Purchaser of any Lot which is sold subject to a lease or tenancy shall covenant to indemnify the Vendor from all liability and expense in respect of any landlord's obligations in connection therewith.

18. The Vendor shall not be required to convey transfer or assign any Group or Lot or any part of any Group or Lot to any other person than the person who has become the Purchaser thereof under Condition 5 hereof and the Vendor shall not be required to so convey transfer or assign the property comprised in any one Group or Lot by more than one assurance.

19. If the purchase of any Group or Lot shall not be completed on the completion date the Vendor may (without being bound so to do) carry on the business formerly carried on at the premises comprised in any such Group or Lot from the completion date until delivery of possession to the Purchaser and in so doing shall act on behalf of and at the sole risk and cost of the Purchaser who shall be entitled to receive all the profits and benefits thereof and shall bear and indemnify the Vendor against all losses and liabilities sustained or incurred in the course thereof.

20. In the case of any inconsistency between the Conditions of Sale (including the Special Conditions referred to in Condition 13 hereof) and the Particulars of Sale the Conditions of Sale shall prevail and in the case of any inconsistency between these General Conditions and the said Special Conditions the Special Conditions shall prevail.

21. After completion the contract for any property sold shall remain in force with regard to anything remaining to be done performed or observed thereunder and not provided for in the assurance to the Purchaser.

22. Notwithstanding Condition 2 above the properties together referred to as Group 1 shall not include Lot 3 which has been withdrawn and the properties together referred to as Group 2 shall not include Lot 48 which has also been withdrawn.

JW

ORGANISATION AND DELEGATION OF AUTHORITY

1. The following were some of the main features of the administration and organisation of the Scheme from 1 April 1950, when the Home Office took over the functions of the previous Central Office (see paragraph 107) until abolition.
2. Certain fundamental aspects remained unchanged from earlier days such as:-
 - a. Treasury approval of the annual Parliamentary Estimates, the procedure for which was supplemented in later years by the separate control of capital spending under the "Public Expenditure Survey Committee" (PESC) arrangements.
 - b. The submission to the State Management Districts Council of any significant proposals for projects of a capital nature, such as construction of new premises or major alterations or reconstruction of existing ones, and of other "policy" proposals such as the disposal of redundant premises, significant alterations in hotel tariffs, and alterations in the price of the Carlisle beers other than those resulting automatically from changes in beer duty; and applications by private individuals or firms for the Secretary of State's authority to sell liquor by retail within the District.
3. Within the framework of 2(a) above, there was a certain amount of delegated authority from the Treasury to incur expenditure without prior reference to them. In the days of the Central Office, specific Treasury authority was required for any new building projects, but expenditure could be incurred on individual schemes of additions and improvements to existing premises, subject to the approval of the State Management Districts Council, without prior reference to the Treasury, provided broad details of the work were furnished in support of the total provision in the annual estimates. As regards acquisition of premises, the Council was authorised to approve compensation to tenants not exceeding £500, and to owners not exceeding £1000, without reference to the Treasury, and as regards disposals, property valued at not more than £500 could be sold subject to the Council's approval without such reference.
4. In 1951, after discussion between the Home Office and Scottish Home Department and the General Managers of the Carlisle and Scottish Schemes, the Treasury were asked, and agreed, that expenditure might be incurred without prior reference to them within the following limits -
 - a. purchase or sale of land not exceeding £1000
 - b. purchase, construction or adaptation of premises not exceeding £10,000.
5. Experience showed that the delegated authority relating to the sale of land (4(a) above), which in the legal sense also includes premises, was unduly restrictive when it came to dealing with the disposal of surplus properties, and in 1955 the Treasury agreed to delegated authority for the sale of premises not exceeding £10,000 in value. The limit of £1000 for land alone remained.
6. With this modification the scope of the delegated authority remained unaltered until abolition. All purchases or sales of land and premises were required to be in accordance with the District Valuer's valuation.

The General Manager

7. Like that other key component of the Scheme's organisation, the State Management Districts Council, the General Manager was not a statutory creation, and his qualifications and duties were not specified by any special rules or regulations. Apart from the first General Manager, Sir Edgar Sanders, who had been a Justices' Clerk (and thus had experience of the licensing law) prior to his appointment, the General Managers were already established civil servants. Two came from the staff of the Central Control Board and subsequent State Management Districts Central Office, to which they had been seconded from the Treasury, one from the General Post Office, two on promotion within the Carlisle office, one from Customs and Excise and one from the Board of Trade. When applications were invited for a vacancy in 1959, the Home Office said that "applicants, who should not be under 40 years of age or over 55, should have the personal qualities and experience necessary to perform the diverse duties which fall to the General Manager in running the Scheme and in outside contacts. Knowledge of the licensed trade is desirable but not essential".

8. The Home Office also set out the main duties of the General Manager: a copy of this document is attached as Appendix C1. The 1959 description of the duties as they had evolved over the years remained valid for the rest of the Scheme's existence (with one change of nomenclature - the H Division of the Home Office referred to at (1) and (4) of Appendix C1 later on became E3 Division).

9. Originally, the General Manager was authorised to spend up to £100 on any single item of capital expenditure without reference to the Home Office or the State Management Districts Council. By 1950 the limit stood at £200, and it was later increased to £750. No similar limit applied to expenditure by the General Manager on repairs, maintenance, furnishings, supplies etc. except that under arrangements codified in 1966, he was normally required to obtain competitive tenders for supplies and services to the value of £50 or more, and to seek prior Home Office authority before accepting (a) any tender in excess of £5000, or (b) any tender in excess of £1000 if it was other than the lowest, or was a "late" or only tender, or if it was proposed, in regard to an amount in excess of £1000, to dispense with the normal tendering procedure. Certain transactions were however exempted from these requirements, and the purchasing arrangements left to the discretion of the General Manager or officers of the scheme authorised by him: eg the purchase of proprietary goods (spirits, wines, beers, cigarettes etc) for resale and other goods purchased for use as materials in manufacture for which it was impracticable to issue detailed specifications, such as whisky for blending, and barley, malt and hops for brewing beer. Nor - fairly obviously - was the General Manager required to seek prior authority for payment of such inevitable items as licence and excise duties.

10. Until 1965 the General Manager had to seek the prior approval of the State Management Districts Council before granting a lease for property owned by the Scheme. In January 1965 the council agreed that he should have delegated authority to grant leases for not more than 5 years, at rentals not less than those recommended by the District Valuer provided that (except in the case of renewals where the General Manager already had delegated authority to renew to the existing tenant) the property was publicly advertised and there was no higher tender in the field.

11. Apart from these financial controls and delegations no specific code, or general statement corresponding to Appendix C1, was formulated regarding delegated powers. In general, and subject to some specific points referred to in this and the following paragraphs, it was a question of common sense and good judgment which matters were ones of day to day management and therefore entirely for the General Manager and which, because of their magnitude or potential controversy, he ought to refer to or consult the Home Office about. On some there was no room for doubt. Obviously matters which had to be submitted to the State Management Districts Council via the Home Office (see 2(b) above) were not within the General Manager's powers -

though his was usually the initiative in making proposals, in consultation with the relevant department of the Home Office. In the case of applications for the Secretary of State's authority for the sale of liquor, where the initiative was an outside one, and the Council's recommendation and the Secretary of State's decision were made in the light of general policy guidelines, the General Manager's function was primarily to inform the Council of the Local Advisory Committee's views on the application supplemented by any relevant information or comments of his own, eg as to the extent and nature of existing State Management or private enterprise facilities in the area in question.

12. As explained in paragraph 173 the General Manager's powers to hire and fire staff, other than casual staff, were latterly somewhat restricted. On the other hand, the General Manager, or officer acting on his authority, such as the Superintendent of Managed Houses, or the Superintendent of Hotels and Restaurants, normally dealt with transfers and promotions within the public house hotel and restaurant fields, and with changes in tenancy of the tenanted houses. Where appointments or promotions were the direct responsibility of the Home Office, as for example vacancies for "heads of departments" or other senior staff of the Scheme, it goes without saying that full weight was given to the General Manager's recommendations, and he was normally a member of the relevant appointment or promotion Board.

13. In the field of prices, while the major ones referred to in 2(b) above were a matter for the Home Office on the advice of the State Management Districts Council, the General Manager or the relevant departmental head on his behalf had a broad measure of discretion on such matters as eg meal charges and menus in the State hotels and restaurants, or in adjusting the prices of proprietary bottled beers and the like in line with the Scheme's competitors.

Duties of The General Manager

The General Manager, whose offices were in Carlisle, was responsible, subject to the general instructions of the Secretary of State, for the day to day administration of the District. He was assisted in general administration by an Assistant General Manager, and the main sections of the undertaking were under the immediate charge of "Heads of Departments" (Head Brewer, Manager of Wholesale Spirits Stores, Superintendent of Managed Houses, Superintendent of Hotels and Restaurants and Chief Accountant) who were responsible to the General Manager.

The main duties of the General Manager were:-

1. To ensure the efficient working of all sections of the undertaking and, in particular, that the State Management hotels, public houses, etc, were conducted in strict accordance with the licensing and other laws and in such a way as to give the best possible service to the public. On these and other questions of general administration the General Manager maintained close liaison with the Administrative Division of the Home Office dealing with liquor questions (H Division).
2. To account regularly for all receipts and expenditure; in consultation with Finance Division of the Home Office, with whom the General Manager maintained close liaison on all financial matters, to supply the necessary information for the Civil Estimates relating to the Scheme and to furnish trading and other accounts for audit.
3. In consultation with the Establishment Division of the Home Office, to ensure that the organisation was economically but adequately staffed and to consider the interests and welfare of the staff and to apply to the staff the conditions of service applicable to civil servants generally.
4. In consultation with H Division, to furnish to the State Management Districts Council (whose meetings the General Manager attended) reports and proposals on the administration of the undertaking including proposals for alterations and improvements to existing premises, construction of new premises, installation of new plant, etc., on which matters the General Manager also maintained liaison with Architects Branch.
5. To co-operate with the Local Advisory Committee (whose meetings the General Manager attended) and to maintain good relationships with the authorities and the public generally in the area.

CARLISLE & DISTRICT STATE MANAGEMENT SCHEME

Staff in Post in 1971

Grade	Full Time				Part Time				Total	Grand Total
	Established		Unestablished		Unestablished		Established			
	Industrial	Non Industrial	Industrial	Non Industrial	Industrial	Non Industrial	Industrial	Non Industrial		
General Manager	-	1	-	-	-	-	-	-	1	1
Chief Accountant	-	1	-	-	-	-	-	-	1	1
Suptdt of Managed Houses	-	1	-	-	-	-	-	-	1	1
Asst Suptdt of Managed Houses	-	1	-	-	-	-	-	-	1	1
Suptdt of Hotels & Restaurants	-	1	-	-	-	-	-	-	1	1
Manager of Wines & Spirits Stores	-	1	-	-	-	-	-	-	1	1
General Executive Staff	-	17	-	-	-	-	-	-	17	17
" Clerical Staff	-	24	-	-	-	9	-	-	34	34
Secretarial Staff	-	4	-	-	-	1	-	2	7	7
Hotel Managers	-	8	-	-	-	3	-	-	11	11
Public House Managers	46	22	35	1	1	1	-	81	23	104
" Manageresses	6	-	-	-	-	-	-	6	-	6
" Barmaids	5	-	14	-	-	-	196	215	-	215
" Barmen	1	-	-	-	-	-	148	149	-	149
" Cleaners	-	-	1	-	-	-	150	151	-	151
General & Domestic Servants	-	-	10	-	-	-	40	50	-	50
Brewery Staff	42	3	24	-	-	-	-	66	3	69
Works Department	36	3	22	-	-	-	-	58	3	61
Hotels & Restaurant Staff	7	-	85	-	-	-	142	234	-	234
Wines & Spirits Stores	9	-	6	-	-	-	16	31	-	31
Bottling Department	1	1	3	-	-	-	-	4	1	5
General Stores	-	-	-	-	1	1	-	-	1	1
Miscellaneous Staff	-	-	1	-	-	-	8	9	5	14
	153	88	201	16	700	7	1054	111	1165	

CARLISLE & DISTRICT STATE MANAGEMENT SCHEME

Staff in Post in 1971

Grade	Full Time				Part Time				Total	Grand Total
	Established		Unestablished		Established		Unestablished			
	Industrial	Non Industrial	Industrial	Non Industrial	Industrial	Non Industrial	Industrial	Non Industrial		
General Manager	-	1	-	-	-	-	-	-	1	1
Chief Accountant	-	1	-	-	-	-	-	-	1	1
Suptdt of Managed Houses	-	1	-	-	-	-	-	-	1	1
Asst Suptdt of Managed Houses	-	1	-	-	-	-	-	-	1	1
Suptdt of Hotels & Restaurants	-	1	-	-	-	-	-	-	1	1
Manager of Wines & Spirits Stores	-	1	-	-	-	-	-	-	1	1
General Executive Staff	-	17	-	-	-	-	-	-	17	17
" Clerical Staff	-	24	-	-	9	-	-	-	34	34
Secretarial Staff	-	4	-	-	1	-	-	-	7	7
Hotel Managers	-	8	-	-	3	-	-	-	11	11
Public House Managers	46	22	35	1	1	-	-	81	23	104
" " Manageresses	6	-	-	-	-	-	-	6	-	6
" " Barmaids	5	-	14	-	-	196	-	215	-	215
" " Barmen	1	-	-	-	-	148	-	149	-	149
" " Cleaners	-	-	1	-	-	150	-	151	-	151
General & Domestic Servants	-	-	10	-	-	40	-	50	-	50
Brewery Staff	42	3	24	-	-	-	-	66	3	69
Works Department	36	3	22	-	-	-	-	58	3	61
Hotels & Restaurant Staff	7	-	85	-	-	142	-	234	-	234
Wines & Spirits Stores	9	-	6	-	-	16	-	31	-	31
Bottling Department	1	1	3	-	-	-	-	4	1	5
General Stores	-	-	-	1	1	-	-	-	1	1
Miscellaneous Staff	-	-	1	1	-	8	-	9	5	14
	153	88	201	16	700	7	1054	111	1165	

PERSONAL

January 1971

Dear

A public announcement will be made today that the Government have decided that State management of the liquor trade should be abolished and that the assets of both the English and the Scottish Schemes should be sold to the private sector.

Legislation will be necessary and the Government propose to introduce a Bill in Parliament early next month. The Bill is unlikely to become law until the summer, and the sale of the assets, which is likely to take some time, will not begin until then. It is expected that most of the Carlisle Scheme's activities will continue for the greater part of this year.

The disposal of the Scheme will be bound to give rise to many personal problems and create an understandable feeling of uncertainty for the staff. We in the Home Office will do our best to help in whatever way we can. In particular, you will be told how your own future position will be affected as soon as this becomes clear.

I naturally understand that the change will not be welcome to many of the Scheme's staff, particularly those with long association with the Scheme in its present form. But I know that I can rely on your loyalty during the difficult transitional period.

I am writing in similar terms to all members of the Scheme's staff.

Yours sincerely

Philip Allen

CARLISLE STAFF (NON-INDUSTRIAL)

	Transferred in Civil Service		Services Terminated on Redundancy with Compensation	Retired/Resigned without Compensation
	H.O.	C.G.D.		
General Manager				1
Assistant Gen. Manager				1
Chief Accountant		1		
Sup. of Managed Houses	1			
Ass. Sup " "				1
Executive Staff	5	15		1
Clerical Staff	7	14	10	3
Secretarial Staff	2	1	3	
Hotel Managers	1		9	1
Public House Managers			19	3
Brewery Staff			1	2
Bottling Dept				1
Works Dept	1	1		2
Misc Staff	1	1	2	1
Cleaners			4	1
	18	33	48	18
				117