

Report of the Assistant Chief Executive (Citizens and Communities)

Report to Licensing Committee

Date: 14th January 2014

Subject: Late Night Levy

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The late night levy is a power conferred on council licensing authorities by provision in Chapter 2 of Part 2 of the Police Reform and Social Responsibility Act 2011. This enables councils to charge a levy to persons who are licensed to sell alcohol late at night in the authority's area as a means of raising a financial contribution towards the costs of policing the late-night economy. It is for the council to determine whether to implement the levy, how the levy is designed and when it should be implemented.
2. Executive Board considered the late night levy and potential consultation at the September meeting but withdrew the report and referred the matter to Scrutiny Board. Scrutiny reported to Executive Board with recommendations which Executive Board support. Executive Board has now referred the matter back to Licensing Committee so the previous decision that a levy could be of benefit to the city and to consult upon the levy can be reconsidered.

Recommendations

3. Members of Licensing Committee are recommended to:
 - consider the recommendation from Executive Board;
 - support the conclusions and recommendations made by Scrutiny Board not to progress with the levy at this time;

- to note that should a city centre business improvement district not be progressed, or if existing voluntary initiatives are not further developed and enhanced, Members may re-consider the issue of a Late Night Levy at a later time.

1 Purpose of this report

- 1.1 This report presents the recommendations from Executive Board and the report from Scrutiny Board (Resources and Council Services) which is attached at appendix 1 for consideration.

2 Background information

- 2.1 The late night levy is a power conferred on councils under the Police Reform and Social Responsibility Act 2011. This enables councils to charge a levy to persons who are licensed to sell alcohol late at night in the authority's area, as a means of raising a financial contribution towards the costs of policing the late-night economy.
- 2.2 The levy will be payable by the holders of any premises licence or club premises certificate in the whole of the Leeds district which authorise the sale or supply of alcohol on any days during the late night supply period beginning at or after midnight and ending at or before 6am.
- 2.3 The decision to introduce a levy is for the council to make. The council will decide the design of the levy. This includes the late night supply period, any exemptions or reductions that may apply and the proportion of revenue (minimum 70%) after the council's costs are deducted, which will be paid to the Police & Crime Commissioner with the remainder being retained by the council to fund other activities.
- 2.4 The late night supply period must begin at or after midnight and end at or before 6am. The period can be for any length of time within these parameters but must be the same every day. If the council decides that it would be appropriate that certain types of premises should not pay the levy, they can set the late night supply period to suit the opening times of premises in their district
- 2.5 The council has the ability to use their discretion in respect of offering a reduction if a premises is part of a recognised scheme, or offering an exemption for certain types of premises.
- 2.6 The council must consider the desirability of introducing a levy in relation to the costs of policing and other arrangements for the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 6am.

3.0 Main issues

- 3.1 At its September meeting Executive Board considered a report on the late night levy and the recommendation from Licensing Committee to consult on a proposed design.

- 3.2 Executive Board decided that the submitted report be withdrawn from the agenda in order to enable further work to be undertaken on it and also to request that the relevant Scrutiny Board consider the issues within it, prior to the matter being further considered by Executive Board.
- 3.3 Scrutiny Board (Resources and Council Services) formed a working group to look into this matter who met with officers, West Yorkshire Police and the Chair of Licensing Committee to examine the work that has been undertaken and the desire of implementing a late night levy.
- 3.4 The Chair of the Licensing Committee explained that Members of the committee had expressed concern over the impact on premises outside the city centre that would still have to pay the levy if the proposed design was implemented. They had recommended a further period of consultation before any decision was taken to implement a levy. Officers explained the legislative framework to the Working Group and demonstrated how they had designed the levy to minimise the impact to areas outside the city centre but the legislation did not allow them to exclude all premises outside the city centre. As such, concerns still remained over the proposed levy's design.
- 3.5 Scrutiny Board (Resources and Council Services) approved its report at its November meeting and has referred the matter, with its findings back to Executive Board with the following recommendations:
1. That the Executive Board does not pursue the introduction of a Late Night Levy.
 2. That Officers within Licensing work with partners, including the licensing trade, to develop and enhance the various existing voluntary initiatives.
 3. That the Executive Board reiterates its openness to support a BID which includes an element of initiatives to manage the night time economy
- 3.6 The Chair of the Licensing Committee and officers welcome the recommendations of the Working Group and also believe a BID for the city centre which includes initiatives to manage and support the night time economy would be better suited to the needs of the city. Should a BID for the city centre not be progressed, or if existing voluntary initiatives are not further developed and enhanced, then Members may wish to re-consider the issue of a Late Night Levy at some time in the future.
- 3.7 Officers are supportive of the conclusions reached by Members of Scrutiny Board (Resources and Council Services) and will support and facilitate action to implement a city centre business improvement district and the enhancement of existing voluntary measures. If these actions are not progressed to a satisfactory conclusion then Members would be recommended to re-consider the issue of a Late Night Levy at some time in the future.

Executive Board Recommendation

- 3.8 Executive Board considered the report of Scrutiny Board (Resources and Council Services) and resolved that:
1. The conclusions and recommendations made by Scrutiny Board be supported;

2. Agree that should a city centre business improvement district not be progressed, or if existing voluntary initiatives are not further developed and enhanced, the issue of a Late Night Levy could be re-considered at some time in the future;
3. That the matter be referred back to Licensing Committee to reconsider their former decision to consult upon the late night levy.
4. To note that the officer responsible for implementing these decisions is the Head of Licensing and Registration and that a report can be prepared for the Licensing Committee meeting in January 2014

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 It is requirement of the legislation that those affected by the proposals are consulted with. There is no specified length of the consultation in the legislation however it is the council's practice to consult for 12 weeks on matters relating to licensing. The legislation is specific about who the council must consult with.
- 4.1.2 Within the council the matter of the late night levy has been considered by Licensing Committee, Executive Board and Scrutiny Board (Resources and Council Services).

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The late night levy process and consultation has undergone an equality diversity cohesion and integration screening. The screening showed there were no implications for equality as the length of the consultation would be sufficient to take religious festivals into consideration.

4.3 Council Policies and City Priorities

- 4.3.1 The late night levy has the potential to provide a regular and predictable income. . The council must apply its share having regard, in each case in connection with the supply of alcohol between midnight and 6am, to arrangements for:
 - (a) The reduction or prevention of crime and disorder;
 - (b) The promotion of public safety;
 - (c) The reduction or prevention of public nuisance;
 - (d) The cleaning of any highway maintainable at the public expense (other than a trunk road which is a special road) within the City or any land within the City to which the public are entitled or permitted to have access with or without payment and which is open to the air.
- 4.3.2 These arrangements would contribute to the following outcomes as stated in the Best Council Plan 2013-17:
 - Improve the quality of life for our residents, particularly for those who are vulnerable or in poverty;
 - Make it easier for people to do business with us; and

- Achieve the savings and efficiencies required to continue to deliver frontline services.

4.3.3 In addition these arrangements would contribute to our best council objectives of:

- Building a child friendly city – improving outcomes for children and families
- Promoting sustainable and inclusive economic growth – improving the economic wellbeing of local people and businesses
- Ensuring high quality public services – improving quality, efficiency and involving people in shaping their city

4.4 Resources and Value for Money

4.4.1 The consultation and implementation of the levy has a cost implication. However these costs can be recovered from the first year's revenue. The collection of the levy in subsequent years is undertaken at the same time as the collection of the Licensing Act 2003 annual fee. This reduces the costs to the council.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The Late Night Levy is a new, untested process which has the potential to impact the finances of businesses owners in Leeds. As such there is a possibility that the implementation of a late night levy may be challenged through the courts.

4.6 Risk Management

4.6.1 Officers are in close liaison with other core cities and the Home Office to build on and incorporate any 'lessons learned' or emerging knowledge from those bodies.

5 Conclusions

5.1 The late night levy has the potential to provide a regular and predictable income to support the Best City ambitions of the Council. In order to implement a levy the council has to consider the costs of policing the night time environment and the desirability of implementing a levy as a contribution towards those costs.

5.2 A recommendation from Licensing Committee was brought to Executive Board in September. Executive Board referred the matter to Scrutiny Board (Resources and Council Services). The report from Scrutiny Board is attached. Executive Board has now referred the matter back to Licensing Committee so the decision that the levy could be of benefit to the city can be reconsidered.

6 Recommendations

6.1 Members of Licensing Committee are recommended to:

- consider the recommendation from Executive Board;
- support the conclusions and recommendations made by Scrutiny Board not to progress with the levy at this time;

- to note that should a city centre business improvement district not be progressed, or if existing voluntary initiatives are not further developed and enhanced, Members may re-consider the issue of a Late Night Levy at a later time.

Background documents¹

None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.