



NORTHAMPTON BOROUGH COUNCIL

SCRUTINY PANEL 2 – THE IMPACT OF ANTI-SOCIAL BEHAVIOUR ON THE TOWN

28 JANUARY 2016

BRIEFING NOTE: LATE NIGHT LEVY

1 INTRODUCTION

- 1.1 At its meeting held on 10 December 2015; the Scrutiny Panel requested a background report on Late Night Levy to be submitted to this meeting.

2 The late night levy

- 2.1 The Home Office, in its [amended guidance on the late night levy, Home Office, 24 March 2015 report](#), advises that the late night levy (“the levy”) is a power, conferred on licensing authorities by provision in Chapter 2 of Part 2 of the Police Reform and Social Responsibility Act 2011. This enables licensing authorities 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 contribution towards the costs of policing the late-night economy.
- 2.2 It is reported that the decision to introduce the levy is an option available to all licensing authorities in the whole of their respective areas. The levy will be payable by the holders of any premises licence or club premises certificate (“holders”), in relation to premises in the authority’s area, which authorise the sale or supply of alcohol on any days during a period (the “late night supply period”) beginning at or after midnight and ending at or before 6am.
- 2.3 The decision to introduce, vary or end the requirement for the levy must be made by full council. Other decisions in relation to the introduction and administration of the levy may be delegated in the manner which the licensing authority considers most appropriate.
- 2.4 The Guidance states that the decision to introduce the levy is for the licensing authority to make. The licensing authority is expected to consider the need for a levy with the chief officer of police and police and crime commissioner (“PCC”) for the police area in which it is proposed the levy will be introduced. The Guidance goes on to report that local residents can use

their existing rights to make representations and other channels of communication to call for the implementation of the levy in their area.

- 2.5 The Home Office advises that when considering whether to introduce a levy, licensing authorities should note that any financial risk (for example lower than expected revenue) rests at a local level and should be fully considered prior to implementation. The licensing authority will decide the design of the levy.
- 2.6 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.
- 2.7 It is reported that the licensing authority must consider the desirability of introducing a levy in relation to the matters described in section 125(3) of the Police Reform and Social Responsibility Act 2011. These matters are 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. The licensing authority should discuss the need for a levy with the relevant PCC and the relevant chief officer of police.
- 2.8 It is reported that licensing authorities may consider that there are some types of premises in relation to which the holder should not make a contribution towards the cost of policing the night-time economy through the levy. This is a local decision. The licensing authority should make its decision based on its knowledge of the night-time economy in the area, including information gathered through the consultation process. Licensing authorities can therefore decide, when considering the levy design, if any of the following permitted categories of premises should be exempt from the requirement to pay the levy. These exemption categories are specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012:
- Premises with overnight accommodation
 - Theatres and cinemas
 - Bingo halls
 - Community Amateur Sports Clubs (“CASCs”)
 - Community premises
 - Country village pubs
 - New Year’s Eve
- 2.9 The guidance goes on to state that Licensing authorities may wish to use the late night levy to promote and support participation by premises in business-led best practice schemes, including a BID (if this is not covered by an exemption as above).
- 2.10 Licensing authorities can decide, when considering the levy design, if holders whose premises participate in such schemes should benefit from a reduction to the amount they are required to pay under the levy.

2.11 Eligible premises will receive a 30% reduction from the levy. There will be no cumulative discounts available for holders in relation to premises that are eligible for more than one reduction category. Licensing authorities can offer a reduction to best practice schemes that meet the following benchmarks specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012:

- A clear rationale as to why the scheme's objectives and activities will, or are likely to, result in a reduction of alcohol-related crime and disorder.
- A requirement for active participation in the scheme by members.
- A mechanism to identify and remove in a timely manner those members who do not participate appropriately.

2.12 Licensing authorities are not able to choose a category of premises for an exemption from the levy, if it is not prescribed in regulations. Likewise, licensing authorities are not able to exempt specific premises from the requirement to pay the levy.

2.13 It is reported that the amount of the levy will be prescribed nationally. The annual charges for the levy will be:

Rateable Value Bands (based on the existing fee bands)	A No rateable value to £4,300	B £4,301 to £33,000	C £33,001 to £87,000	D £87,001 to £125,000	E £125,001 and above	D x 2 Multiplier applies to premises in category D that primarily or exclusively sell alcohol	E x 3 Multiplier applies to premises in category E that primarily or exclusively sell alcohol
Levy Charges	£299	£768	£1,259	£1,365	£1,493	£2,730	£4,440

2.14 The levy charges are based on the current licence fee system under the 2003 Act, with holders being placed in bands based on their premises rateable value.

3 Background Information

3.1 Consideration was given to bringing in the 'Levy' 3 years ago in Northampton. Due to the impact of the discounts awarded for businesses in a BID area and members of Pubwatch, it was not deemed financially viable, as it was estimated we would just about cover the administration costs.

4 RECOMMENDATIONS

4.1 That the information provided in this briefing note is noted and informs the evidence base of this Scrutiny Review.

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15 December 2015

