

# The Police Reform and Social Responsibility Act 2011: Late Night Levy



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8<sup>th</sup> February 2012



# Late Night Levy



- Power for licensing authorities to introduce a charge for premises that have a late alcohol licence
- Coalition commitment – allow councils to charge more for late night licences to help contribute towards high policing costs in the late night economy
- Enforcement costs should be shared by those who sell alcohol as part of the late night economy
- Raise contribution for the police from premises that profit from trading alcohol in safe late night environment

- Levy applies to whole licensing authority area
- Levy time period can be applied flexibly between 12am-6am
- Businesses can make a free minor variation to their licences to avoid operating in levy period
- Revenue from the levy will be split at least 70/30 between police and licensing authorities

# Proposed Levy Charges



Licence fee band	A	B	C	D	Dx*	E	Ex*
Rateable value <sup>6</sup>	£0 - £4,300	£4,301 to £33,000	£33,001 to £87,000	£87,001 to £125,000		£125,001 and above	
Existing annual licence fee	£70	£180	£295	£320	£640	£350	£1,050
Levy charge	£299	£768	£1,259	£1,365	£2,730	£1,493	£4,440
*(Dx and Ex) Multiplier applies to premises in category D and E that primarily or exclusively sell alcohol							

- The levy charge is based on the current licence fee system
- Average levy paid by a premises will be around £800
- Levy is estimated to raise £8.5m for police and £3.6m for LAs nationwide

# Administration Costs

- 30% licensing authority revenue is separate to costs of administering the levy
- Licensing authorities will deduct permitted collection, administration and enforcement costs from revenue and divide up remainder accordingly
- Regulations will specify the type of expenses that may be deducted
- Licensing authority will be required to publish the administration costs they have deducted from the levy revenue at the end of every year

# Introduction of the levy

- Licensing authorities have discussions with police
  - Is it appropriate to apply levy in the area?
  - Exemptions or discounts to the levy
  - Split of revenue between police and licensing authority
- Publish details of proposals to introduce levy
- Consultation with police, licence holders and other persons (who will be prescribed in regulations)
- Contact liable premises to inform them how much they will be required to pay and when
- Introduce levy when period for licence holders to make a variation to their licence has ended

# Exemptions and Reductions

- Licensing authorities can choose categories of business with an exemption
  - Businesses cannot be judged individually
- Used at discretion of licensing authority but subject to consultation with police and licence holders
- Exemption and reduction categories will be specified in regulations for licensing authorities to choose from

- 'Dealing with the Problems of Late Night Drinking' consultation is open until 10<sup>th</sup> April 2012
- <http://www.homeoffice.gov.uk/publications/about-us/consultations/late-night-drinking/>
- Process of adopting an EMRO/levy
- Categories of business that will be exempt from any EMRO
- Categories of business that will be exempt or receive reduction from levy at discretion of licensing authority
- Services that licensing authority can fund with levy revenue



# Summing up



- Welcome your views on late night levy by responding to our consultation
- input (and updates) via HO website
  - <http://www.homeoffice.gov.uk/drugs/alcohol/>
  - up-dated factsheets
  - information on how to implement/ FAQ section
- email us: [alcoholstrategy@homeoffice.gsi.gov.uk](mailto:alcoholstrategy@homeoffice.gsi.gov.uk)

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