



<u>Committee and Date</u> Strategic Licensing Committee 19 March 2014

<u>Item</u> 8 <u>Public</u>

Home Office Consultation – Fees under the Licensing Act 2003

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1. Summary

- 1.1 The Home Office is currently consulting on the move from centrally-set to locally-set fees under the Licensing Act 2003. The consultation period runs for eight weeks from the 13 February 2014 to the 10 April 2014.
- 1.2 Running separately, but alongside the consultation, a survey of licensing authority costs is being conducted, in which licensing authorities are being asked for estimates of their costs in performing each of their licensing functions under the Licensing Act 2003.
- 1.3 As a result, this report proposes the manner by which a response may be made to the Home Office's consultation in order to meet the consultation deadline of the 10 April 2014 and sets out a proposed process by which a response may be made to the survey of licensing costs.

2. Recommendations

- 2.1 That the Committee agrees, with any necessary modifications, that a response is made to the Home Office in respect of the consultation detailing the move from centrally-set to locally set-fees under the Licensing Act 2003 and that the response is made, following agreement with the Chair of the Strategic Licensing Committee, by the Public Protection Service Manager for Safer & Stronger Communities, in her capacity as an officer of the licensing authority.
- 2.2 That the Committee agrees, with any necessary modifications, that the Public Protection Service Manager for Safer & Stronger Communities, in conjunction with the Chair of the Strategic Licensing Committee, determines whether it is practicable and appropriate to respond to the Home Office's survey of licensing costs and where it is practicable and appropriate to do so that the response is made, following agreement with the Chair of the Strategic Licensing Committee, by the Public Protection Service Manager for Safer & Stronger Communities, in her capacity as an officer of the licensing authority.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1** The Council's Constitution sets out that the responsibility for responding to consultations that are likely to lead to policy changes or have a significant impact upon services is an executive function and consequently, for Shropshire Council, this responsibility lies with Cabinet.
- 3.2** Due to the deadline for responding to the Home Office consultation detailing the move from centrally-set to locally set-fees under the Licensing Act 2003, it is not feasible for Cabinet to provide a formal response on behalf of Shropshire Council or to delegate the function to the Strategic Licensing Committee. As a consequence, the only solution is that an officer response is submitted to the Home Office.
- 3.3** The aim of the proposed recommendations is to ensure that a Shropshire based view, albeit not a formal authority view, concerning the move from centrally-set to locally-set fees under the Licensing Act 2003 are expressed to the Home Office within the permitted consultation period. The final date for the submission of responses is the 10 April 2014.
- 3.4** Should the Committee choose not to agree to the Public Protection Service Manager for Safer & Stronger Communities, in conjunction with the Chair of the Strategic Licensing Committee, providing the response in her capacity as an officer of the licensing authority, it is unlikely that any agreed response will be submitted before the consultation period ends.
- 3.5** There is no requirement to consult other parties on this matter. Other interested parties likely to be affected, e.g. those who pay licensing fees (such as those who own, or work in pubs, clubs, supermarkets and shops, or issue Temporary Event Notices) or other licensing authorities, etc., have the right to respond directly to the Home Office (and the Home Office is encouraging them to do so) with their own comments.
- 3.6** An equalities impact needs assessment (EINA) has not been carried out at this stage as the report is not recommending proposals to change council policies, procedures and practices; this will be the role of the Home Office as a result of the responses it receives from interested parties.
- 3.7** There are no anticipated environmental or other community consequences associated with this report.
- 3.8** Based on the information above, the proposed recommendations are unlikely to result in any adverse implications under the Human Rights Act 1998.

4. Financial Implications

- 4.1** There are no direct financial implications associated with the recommendations contained within the report, other than officer and Member time to draft the response. It is not anticipated that this time will be overly prohibitive.
- 4.2** It is anticipated that a significant amount of officer time from Public Protection and Finance will be required if the survey of licensing costs is to be completed prior to

the consultation deadline. This may not be reasonable given the timescales available. However, it will be addressed prior to locally-set fees being implemented as it will form a vital part of the calculations necessary for the authority to set fees locally.

- 4.3** The outcome of the Home Office consultation will have a fundamental impact on the extent to which Shropshire Council will have control, in the future, over recovering the costs incurred by the authority when undertaking the licensing function under the Licensing Act 2003.

5. Background

- 5.1** The Licensing Act 2003 regulates the sale of alcohol, the provision of late night refreshment and regulated entertainment in England and Wales, and is primarily administered by local authorities, acting in their capacity as licensing authorities.
- 5.2** Licensing fees are intended to recover the costs that licensing authorities incur in carrying out these licensing functions. Licensing fees are payable to licensing authorities by holders of licences and certificates, and those making applications or issuing notices. This can include, for example, pubs, shops, restaurants and private members' clubs.
- 5.3** Current fee levels were set in 2005 and apply nationally. They have not been adjusted since, other than for the introduction of new fees for new processes. The Police Reform and Social Responsibility Act 2011 amended the Licensing Act 2003 to introduce a power for the Home Secretary to prescribe in regulations that in future fee levels should be set by individual licensing authorities to enable them to recover their licensing costs.
- 5.4** Through 29 separate questions, the consultation seeks views on important aspects of the regulations that will govern locally-set fees. These include:
- whether and under what circumstances licensing authorities should be able to charge different amounts to different types of premises;
 - the maximum amount that can be charged; and
 - the mechanisms that will provide reassurance to fee-payers that fees are being set transparently, at cost, and that efficiency is being encouraged.
- 5.5** The consultation also asks whether there should be a single national payment date for annual fees. Annual fees are currently payable on the anniversary of the date the licence was granted.
- 5.6** An impact assessment accompanies the consultation, which estimates the change in fee payments that will result from fees being set locally. This includes an estimate of the costs for licensing authorities of the duty to set fees.
- 5.7** Separately, but alongside the consultation, the Home Office is conducting a survey of licensing authority costs. This seeks licensing authority estimates of their costs in performing each of their licensing functions under the Licensing Act 2003. The information will be important nationally in developing the details of the new regime and will also form a vital part of the calculations necessary in order for Shropshire

Council to set fees locally in due course. The survey requests information on processes and costs, together with supporting evidence.

6. Additional Information

None

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

A consultation on fees under the Licensing Act 2003 published by the Home Office (ISBN: 978-1-78246-115-9)

Locally set licensing fees: impact assessment published by the Home Office

Licensing authorities costs survey

Available at <https://www.gov.uk/government/consultations/locally-set-licensing-fees>

Cabinet Member (Portfolio Holder)

Councillor Steve Charmley

Local Member

N/A

Appendices

N/A