



Licensing Committee

Date: MONDAY, 28 APRIL 2014
Time: 1.45 pm
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

ITEM 7

LATE NIGHT LEVY CONSULTATION

John Barradell
Town Clerk and Chief Executive

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Agenda Item 7

Committee:	Date:
Licensing	28 April 2014
Subject: Introduction of the Late Night Levy in the City of London	Public
Report of: Director Markets and Consumer Protection	For Decision

Summary

The Police Reform and Social Responsibility Act 2011 introduced the power for licensing authorities to impose a Late Night Levy. Within the legislation there is a requirement to consult on various matters relating to a proposed levy prior to its introduction. Members were informed of the proposed consultation process in a report to the Licensing Committee on 14 January 2013.

The City Corporation has now consulted on introducing such a levy with, amongst others, those persons licensed to sell alcohol after midnight, licensing solicitors/barristers, Members, all other premises licensed to sell alcohol and relevant trade associations. This report details the results of the consultation and the option to adopt the Late Night Levy.

Recommendations

It is recommended that:

1. Your Committee decides whether or not it would be desirable to apply the Late Night Levy in the City of London
2. In the event that your Committee is of the view that the Late Night Levy should be applied to the City of London, to recommend to the Court of Common Council the adoption of the Late Night Levy to be applied across the City of London to commence on the 1 October 2014 with the late night supply period set from 00:01 to 06:00 to all premises licensed to supply alcohol

and, subject to agreement of the above recommendation, Committee recommends the Court of Common Council to agree that:

- a. A reduction in the Levy of 30% be granted to premises operating between 00:01 and 06:00 where the premises have shown that they operate at the standard required to achieve the City of London Safety Thirst award;
- b. The proportion of the net amount of the levy revenue to be paid to the City of London Police is 70%;

- c. The final allocation of that portion of the levy to be used by the City Corporation to be decided by the Chairman and Deputy Chairman of the Licensing Committee in consultation with the Director of Markets and Consumer Protection;
- d. An annual review of the operation and effect of the levy be carried out and reported to the Licensing Committee.

Main Report

Background

1. The City of London is the world's leading international financial and related business services centre. Whilst primarily a business district, the City of London has an expanding night life which is enjoyed by many thousands of residents and visitors.
2. The number of late night premises is high with around 290 premises licensed to sell alcohol after midnight. The costs of policing the late night economy are substantial.
3. The City Corporation is engaged in active partnership working with its licensed premises to ensure high standards of management that will prevent public nuisance. This includes active participation in 'Pubwatch', 'Hotel Forum' and its own Safety Thirst awards scheme and Code of Good Practice. These successful activities have continued to produce positive results.
4. There is a strong working partnership with the City of London Police with the police licensing team co-located on the same floor as the City Corporation's licensing team.
5. Despite this engagement and the standards that are being achieved, the City of London still continues to have levels of alcohol related crime which remain a key priority for the City of London Police to address going forward into 2014/15. Details of the crime statistics can be seen in Appendix 1. Although these figures may seem low compared to the rest of London, they still result in considerable time and expense ensuring that the vast majority of people wishing to enjoy the City of London late at night without causing trouble can do so safely.
6. The crime statistics reported in Appendix 1, with the exception of dealing with persons who are drunk and disorderly, are recordable crimes and do not include all incidents. The Police respond over a typical weekend to approximately ten calls requesting officer assistance that do not ordinarily end as recordable crimes.

7. The levels of anti-social behaviour and public nuisance associated with alcohol, and the difficulties in addressing it with limited policing, has led the City Corporation to pilot the use of a shared service with Westminster City Council Noise Team for dealing with noise including public nuisance issues. The pilot has been reviewed and a faster response time and presence within the City has meant this has been substantially brought back in house from April 2014.
8. The Police Reform and Social Responsibility Act 2011 (PRSRA) introduced the power for licensing authorities to impose a Late Night Levy (the levy) on the whole of their area. The levy enables licensing authorities to raise a contribution from late-opening alcohol suppliers towards policing the night-time economy.
9. The licensing authority can choose the period during which the levy applies every night, between midnight and 6am, and decide what statutory exemptions and reductions should apply.
10. The aim of the levy is to empower local areas to charge businesses that supply alcohol late into the night for the extra enforcement costs that the night-time economy generates for police and licensing authorities. The rationale behind this is that the Government in The Coalition Agreement included the commitment to permit local councils to charge more for late night licences to pay for additional policing. The Government consider it right that businesses which profit by selling alcohol in the night-time economy should contribute towards these costs, rather than relying on other taxpayers in the community to bear the full costs.
11. The licensing authority must consult prior to the introduction of a late night levy and any decision relating to the permitted exemption or reduction categories, the size of the specified proportion, and the period which is to apply to the levy. The consultation commenced on 26 February 2014 and finished on 8 April 2014. A copy of the consultation document can be seen as Appendix 1. The consultation was advertised in the local press and was available either to download from our website or to complete online. All licensed premises were informed of the consultation. A previous consultation exercise was held in 2013 but, having taken legal advice, the decision was taken to run a fresh consultation exercise.

Adopting the levy

12. The amount of the levy is prescribed nationally and is based on the premises rateable value. The annual charges for the levy, and weekly equivalent, will be:

Rateable Value (£)	Rateable Band	Amount of Levy (£)	
		Annual Levy	Weekly Equivalent
0 – 4,300	A	299	5.75
4,301 – 33,000	B	768	14.77
33,301 – 87,000	C	1,259	24.21
87,001 – 125,000	D	1,365 (2,730*)	26.25 (52.50*)
125,001 +	E	1,493 (4,440*)	28.71 (85.39*)

* Where a multiplier applies for premises used exclusively or primarily for the supply of alcohol for consumption on the premises (bands D & E only)

13. Premises would pay their levy when their annual licence fee becomes due and therefore the levy payments may not be collected until up to a year after the implementation date. By law, any non-payment of the levy by the due date must result in the suspension of a premises licence or club premises certificate until payment has been made.
14. Of the revenue collected, the City Corporation is able to deduct the costs of administering the levy and then a minimum of 70% of the balance has to be passed to the City of London Police. Administration costs are estimated to be no more than £15,000 per annum.
15. The City of London Police are not bound by any restrictions as to how their portion of the money is to be spent. However, they have given assurances that it will be used towards the following objectives:
- To cover the costs associated with licensing hearings, advice and objections to Temporary Event Notices (TEN's etc.), estimated as being between £20,000 and £30,000 per annum. It is clear that the police (as a responsible authority) are the key contributor when it comes to identifying a need for a realistic objection to a grant, variation or submission of a TEN.
 - Funding three additional officers to run an effective 'action team' within the police licensing team. The action team would actively target the licensed premises that have been identified via the Force Intelligence Bureau (FIB) as premises that are responsible for the majority of crime and or disorder occurring at their premises. They would work with those premises so that they can achieve better results in promoting the licensing objectives. Furthermore it would fall to them to identify persistence in failures and contraventions of licensing conditions.

- The night time economy has grown considerably in the City of London since the evolution of the police licensing team to its current form; however the team has not been expanded accordingly. Over time several ‘problem’ premises have been identified but, owing to a lack of tangible high-grade evidence, it has taken a considerable amount of time to deal effectively and efficiently with them. The extra three staff would facilitate preventative measures in order that further, more formal action is not necessary.
 - Covert operations to detect offences, and as a consequence supply high-grade evidence of licensing offences allowing early intervention, would also be funded. This role needs to be carried out by trained officers (sometimes from other forces), as the City’s own licensing officers are known. Past experience would suggest this activity would occur approximately five or six times a year.
 - In addition, it would allow the police licensing action team to further its partnership working with the London Fire Brigade, Security Industry Authority, and Trading Standards to be available to engage/detect/advise and enforce where the evidence is overwhelming; to learn lessons and to continue to promote good practice.
16. The City Corporation is however required to spend its allocation in specific areas namely:
- The reduction or prevention of crime and disorder
 - The promotion of public safety
 - The reduction or prevention of public nuisance
 - The cleaning of any highway maintainable at the public expense within the City of London (other than a trunk road) or any land to which the public are entitled or permitted to have access with or without payment and which is open to the air
17. The proposals for spending the City Corporation’s allocations are:
- Towards funding a post to operate the Code of Practice and Risk Assessment Scheme. The postholder would work closely with all licensed premises in an advisory capacity in order that they have the best possible chance of promoting the licensing objectives.
 - To fund a team of officers to work during the period midnight to 06:00 a.m. Officers would be able to respond speedily to complaints from members of the public where they are being disturbed by excessive noise. This will allow officers to see the problems as they are occurring and take the appropriate action. In the majority of cases this would

involve working in partnership with the licensed premises in question to alleviate problem areas.

18. The income estimates can be seen in the table below:

	A	B	C	D	Local Authority Portion	Police Portion
Amount raised if Levy introduced from 00:01 to 06:00	474,949	332,464	317,464	222,225	£66,668	£155,558
Amount raised if Levy introduced from 01:01 to 06:00	301,917	211,342	196,342	137,439	£27,488	£109,951
Amount raised if Levy introduced from 02:01 to 06:00	144,435	101,105	86,105	60,273	£12,055	£48,219
Amount raised if Levy introduced from 03:01 to 06:00	57,171	40,020	25,020	17,514	£3,503	£14,011
Amount raised if Levy introduced from 04:01 to 06:00	16,044	11,231	N/A	N/A	N/A	N/A
Amount raised if Levy introduced from 05:01 to 06:00	8,106	5,674	N/A	N/A	N/A	N/A

The columns in the table refer to the following:

- A – Total amount raised if all 290 premises were to pay the levy without any deductions.
- B – Total amount raised if 30% of all premises varied their hours to bring them outside the levy period. (figure based on the experience of other local authorities).
- C – Total amount raised from 70% of the premises less £15k to administer the scheme.
- D – Total amount raised from 70% of the premises less the administration costs and less a discount of 30% to account for premises participating in the Safety Thirst Award Scheme (the actual income likely if all recommendations in this report are approved).
- The final two columns show the amount in column D split between the City of London Police and the City Corporation, with 70% going to the Police and 30% to the City Corporation.

Criteria to be considered in making the decision

19. In deciding whether to adopt the levy, the City Corporation has to discuss the need with the relevant Chief Officer of Police, in this case the Commissioner of the City of London Police. The City of London Police have expressed their support for the levy and the Commissioner has been involved in the design of the proposed system.

20. The City Corporation has to have regard to the costs of policing and other arrangements for the reduction of crime and disorder in connection with the supply of alcohol between midnight and 6 a.m. and, having regard to these

costs, the desirability of raising the revenue to be applied in the prescribed manner.

21. The annual policing costs for these hours are difficult to accurately assess given that they cover various actions in various parts of the service and can include call handling, emergency response, investigation, detection and court time. It is estimated that the costs incurred by the Police are in excess of £2.1m. It is not possible to demonstrate that 100% of this expenditure relates to crime committed as a result of alcohol purchased during the late night supply period in the City of London. However, such precision could never be attained and does not need to be. The information provides a broad indication of 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 6 a.m.
22. The City Corporation has to have regard to the results of the consultation which are given below. The statistical analysis of the consultation can be seen as Appendix 2.
23. General comments relating to each of the eight main questions have been collated and presented as Appendix 3. A few of the responses make significant comments and have been reproduced in full as Appendices 4a to 4e.
24. The City Corporation also has to have regard to the financial risk in adopting the levy. With administration costs, and the impact of reductions and exemptions being taken into consideration, it would not be a viable proposition if the gross levy amount was to fall below £100k.

Response to the Consultation

25. There were 70 responses to the consultation. 34 of these were written responses and 36 responded online. 18 of these were from premises that currently have a license to sell alcohol after mid-night, 16 from premises that currently have a licence to sell alcohol up to mid-night, 5 from residents, 12 from Members (of whom 4 are also residents), and 19 others. Included in the 'other' category were responses from trade representatives, solicitors and companies representing a number of licensed premises in the City of London.

Question 1 - Do you agree that a late night levy be introduced in the City of London?

26. 67% of responses that answered Question 1 were in favour of the levy. Overall 27 of the premises selling alcohol after mid-night were represented in the responses, either directly or from being represented and included in the 'other' category ('affected premises'). Of these 70% were against the levy.

27. The City of London has 747 premises selling alcohol of which approximately 290 would be liable to pay the levy if there were no exemptions. The response rate from these premises was 9%.

Question 2 - Do you agree that if a levy was to be introduced it should operate between midnight and 6 a.m.?

28. The suggested hours of 00:00 to 06:00 were supported by 59% of respondents. The consultation sought views on alternative levy hours with 20% preferring 01:00 to 06:00, 12% preferring 02:00 to 06:00 and 9% preferring some other time period.
29. To avoid complications with premises unsure as to whether they fall within the levy period or not, all periods are recommended to run from one minute past the hour. The suggested hours within the consultation would thus be 00:01 to 06:00.

Question 3 – Do you agree that there should be no exemptions from paying the levy?

30. 43% of respondents agreed that there should be no exemptions. There was some support for other exemptions as follows:
- Premises offering overnight accommodation that sell alcohol only to guests – 26%
 - Theatres and cinemas selling to ticket holders, participants and invited guests to a private event – 19%
 - Bingo Halls – 10%
 - Community Amateur Sports Clubs – 10%
 - Community premises (successfully applying for the replacement of the mandatory ‘designated premises supervisor’ condition) – 14%
 - Premises only selling alcohol in the supply period by virtue of the fact they are permitted to supply alcohol during this period on 1st January each year – 26%
 - Business Improvement Districts – 11%

Question 4 – Do you agree that businesses meeting the ‘small business rate relief’ criteria should not receive a reduction?

31. 67% of respondents agreed that there should be no reduction for businesses meeting the ‘small business rate relief’ criteria.

Question 5 – Do you agree that premise meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% discount?

32. 77% of respondents agreed that premises should receive a 30% reduction. The majority of respondents see the Safety Thirst award scheme as an additional means to reduce crime and disorder.

Question 6 – Do you agree that the minimum 70% of the net revenue raised from the levy should go to the Police?

33. 74% of respondents agreed with the split with the remaining 30% being retained by the City Corporation.

Question 7 – Do you agree with the way in which the City Corporation will spend their portion of the levy?

34. 77% of respondents agreed with the way in which the City Corporation were to spend their percentage of the levy.

Question 8 – Do you agree with the way in which the City of London Police will spend their portion of the levy?

35. 80% of respondents agreed with the way in which the City of London Police were to spend their percentage of the levy.

Implications

Financial

36. The first £15,000 per annum in a full year (£7,500 in 2014/15) will be retained by the City Corporation to meet the costs of administering the levy.
37. In addition, based upon the assumptions made in this report, the levy could generate up to £67,000 in a full year for the City Corporation to be applied in the prescribed manner. This figure makes allowances for exemptions and a number of businesses reducing their hours of operation to bring them outside the levy period. At the end of each financial year, a statement of the total levy payments for the year, including details of exemptions and discounts, will be prepared.
38. This additional revenue has to be spent on specified purposes within the parameters set out in paragraph 16, and the final allocation of these funds is still being determined. Most, or all, of the likely costs to be met from the allocation are new costs to the City Corporation, so there will be no overall net financial benefit.

Legal

39. The Local Authorities (Functions and Responsibilities)(England) Regulations 2000 as amended specify that the functions relating to the introduction of the late night levy has to be a decision of the full Common Council.
40. In making the decision whether to adopt the levy the City Corporation must consider the matters set out in section 125(3) of the Police Reform and Social Responsibility Act 2011 namely:
 - 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 and,
 - Having regard to these costs, the desirability of raising revenue to be applied in the prescribed manner.
41. The City Corporation must take full and proper account of the consultation responses in deciding whether to introduce the levy and if so, the design of that levy.
42. The City Corporation may decide that there are some types of premises which should be exempt from the levy. The categories of exempt premises are specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 and are set out in the City Corporation's consultation document (see Appendix 1). The City Corporation is unable to choose a category of premises for exemption from the levy if it is not prescribed in the regulations.
43. The City Corporation can decide to offer a reduction from the levy to best practice schemes that meet the criteria specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 as follows:
 - 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; and
 - A mechanism to identify and remove in a timely manner those members who do not participate appropriately

Eligible premises will receive a 30 percent reduction from the levy.
44. The net revenue must be split between the City Corporation and the City of London Police. The City Corporation must pay the Police at least 70% of the net levy. Costs incurred in the introduction, administration and collection of the levy may be deducted from the gross revenue prior to the levy being apportioned.

45. If the City Corporation decide to adopt the levy it must notify the Chief Officer of Police and all holders of licences which permit the supply of alcohol within the late night supply period. The Home Office Amended Guidance on the Late Night Levy recommends that the start date of the levy is set no less than three months after the notifications are sent. This will allow sufficient time for holders with a relevant late night authorisation to make a free variation to their licence to reduce their licensed hours to avoid operating within the late night supply period and thus avoid paying the levy.

Background Papers:

Report to Licensing Committee 22 October 2012: ‘Late Night Levy and Early Morning Restriction Orders’.

Report to Licensing Committee 14 January 2013: ‘Late Night Levy’

Appendices:

- Appendix 1** Consultation Document
- Appendix 2** Consultation statistical Analysis
- Appendix 3** Consultation general comments
- Appendix 4a-e** Full responses to consultation

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CITY OF LONDON CORPORATION

LATE NIGHT LEVY - CONSULTATION

1. Background

- 1.1. The City of London is the world’s leading international financial and related business services centre. The City of London Corporation provides local government services for this financial and commercial heart of Britain, the ‘Square Mile’.
- 1.2. Whilst primarily a business district, the City of London has a significant residential population and an expanding night life which is enjoyed by many thousands of residents and visitors. In order to maintain the City of London’s reputation as a safe City, an active night time economy brings with it additional costs for the Corporation, the City Police, and other services dealing with public nuisance and crime & disorder.
- 1.3. The Police Reform and Social Responsibility Act 2011 (PRSR) amends and supplements the Licensing Act 2003 allowing local 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 cost of dealing with the late-night economy.

2. What is a Late Night Levy?

- 2.1. If implemented the levy would be an additional fee to be charged to those premises licensed to sell alcohol during the supply period. The supply period must begin at or after midnight and end at or before 6 am. For example, if the supply period was set between 1am and 6am then every premises licensed to sell alcohol within the City of London, at any time during that period, would be subject to the levy.
- 2.2. The amount of the levy has been set by regulation and is calculated according to the rateable value of the premises. If implemented, the levy would be collected alongside the annual licence fee.

Rateable Value (£)	Rateable Band	Amount of Levy (£)	
		Annual Levy	Weekly Equivalent
0 – 4,300	A	299	5.75
4,301 – 33,000	B	768	14.77
33,301 – 87,000	C	1,259	24.21
87,001 – 125,000	D	1,365 (2,730*)	26.25 (52.50*)
125,001 +	E	1,493 (4,440*)	28.71 (85.39*)

- *Premises that exclusively or primarily sell alcohol for consumption on the premises
- 2.3. Only premises licensed to sell alcohol are affected by a levy. A premises only providing regulated entertainment or late night refreshment would not be included.

3. Why a Late Night Levy in the City of London?

- 3.1. The desirability and need of introducing a late night levy within the City of London has been discussed with the City of London Police. Although the number of alcohol related crimes have decreased in the last two years, there remains a significant number occurring between midnight and six in the morning.
- 3.2. Alcohol related crimes include any of the following where alcohol has been an aggravating factor:
- Violence against the person (common assault, actual bodily harm, grievous bodily harm)
 - Public order offences (relative to the Public Order Act 1986)
 - Drunk and Disorderly

Although not a ‘recordable’ offence, drunk and disorderly is included due to the inordinate amount of police time taken in dealing with it.

- 3.3. The number of alcohol related crimes that have taken place within the City of London during the past two years between midnight and 06.00 a.m. can be seen in the tables below. This accounts for over 50% of the total number of alcohol related crimes that take place within the City of London.

Offence Category	Drunk & Disorderly	Violence With Injury	Violence Without Injury	Public Order Offences
<i>Statistics For The Year</i>				
1st November 2012 – 31st October 2013				
0000 - 0100	13	16	5	9
0100 - 0200	8	35	14	8
0200 - 0300	8	28	6	5
0300 - 0400	15	22	6	2
0400 -0500	2	11	5	3
0500 - 0600	2	2	2	2
Total	48	114	38	29
			Grand Total	229

Offence Category	Drunk & Disorderly	Violence With Injury	Violence Without Injury	Public Order Offences
Statistics For The Year				
1st November 2011 – 31st October 2012				
0000 - 0100	29	20	14	9
0100 - 0200	13	15	7	2
0200 - 0300	11	26	9	6
0300 - 0400	14	20	6	10
0400 -0500	14	9	6	3
0500 - 0600	6	7	1	1
Total	87	97	43	31
			Grand Total	258

3.4. The costs involved in policing the night time economy relate primarily to staffing costs. Operational requirements arise from intelligence, statistics and specific taskings. To ensure appropriate levels of staff are on duty at any given time a format known as ‘minimum numbers’ is used and relates to the minimum number of all ranks that would be on duty at any given time.

3.5. Night duties are deemed to be any time between 20:00 and 06:30. Enforcing the night time economy between these hours costs the Police just over £2m. (The period relevant to the late night levy is almost 60% of the total hours expenditure for night duties). The £2m is made up approximately as follows:

• Uniform Policing	1,543,882
• Intelligence and Information	335,070
• Criminal Investigations Department	252,570
Total:	£2,131,522

3.6. In addition to the above costs, around 150 of the alcohol related crimes involve further investigation at a cost of approximately £645,000.

3.7. The above figures are minimum costs. They do not take into account sudden specific needs involving extra resources and overtime. Additionally, where crimes above involve violent disorder, grievous bodily harm, and attempted murder etc., further investigative costs can amount to hundreds of thousands of pounds for them alone.

3.8. Compared to other areas, crime numbers in the City of London are low. However, the City of London Police have the same need to respond to Home Office requirements to reduce crime as well as the ongoing need to respond to the fear of crime regularly

identified in the British Crime Survey. If there are any improvements in crime reduction to be had, it is the duty of the City Police to identify appropriate areas to respond and fund those in any way it can.

City of London Code of Practice and Risk Scheme

- 3.9. In April 2013 the City of London introduced a Code of Practice with the aim of providing premises licence holders guidance on good practice in the promotion of the four licensing objectives.
- 3.10. In addition to the Code, a ‘Traffic Light’ risk scheme was introduced as a tool to assist the Corporation in identifying, at an early stage, those premises that may be having difficulty in promoting the licensing objectives.
- 3.11. The intention is that the risk scheme assists greater partnership working with licensed premises, helping to identify areas that are not working quite right, putting an action plan in place to rectify the problems thus avoiding unnecessary formal action at a later date.
- 3.12. The operation of the scheme is currently being funded on a temporary basis which is unsustainable in the long term. Funds raised through the late night levy would help to fund the scheme on a permanent basis and permit the Corporation to work even closer with licensed premises with the joint aim of providing a safe place for people to go and enjoy the night time economy (see also 5.10 to 5.12).

4. How much would a Late Night Levy raise?

- 4.1. The City of London currently has 747 premises licensed to sell alcohol of which 290 premises are licensed to sell alcohol after midnight. The total number of premises licensed to sell alcohol between midnight and 6 a.m. can be seen in the table below.

Premises Rateable Band	Fee Per Premises In Each Band	Number of premises that sell alcohol in each of the hour bands between midnight and 06:00 a.m.					
		00:01 - 01:00	01:01 - 02:00	02:01 - 03:00	03:01 - 04:00	04:01 - 05:00	05:01 - 06:00
A	£299	1	1	5	0	0	0
B	£768	6	2	3	4	1	0
C	£1,259	56	43	16	1	0	2
D	£1,365	13	11	11	0	0	3
D (multiplier)	£2,730	2	5	3	1	1	0
E	£1,493	32	25	12	2	0	1
E (multiplier)	£4,440	6	8	5	7	1	0
Total		116	95	55	15	3	6

- 4.2. If every one of the above 290 premises paid a Levy it would raise approximately £475,000 each year. At least 70% of this sum has to be paid to the City of London Police with the remainder being kept by the City Corporation in order to help fund activities aimed at decreasing crime and disorder associated with the night time

economy (see also 5.10 to 5.12).

- 4.3. However, it is likely that some of the premises that do not open beyond midnight on a regular basis, but have a licence to do so if they so wished, would vary their licence to bring forward the terminal hour for alcohol sales to midnight. This service would be free of charge for a three month period following an announcement that a levy would be introduced and would take a premises outside of the levy period. Based on the experience of other local authorities, this figure can be as high as 30% of the total number of premises selling alcohol after midnight which, in the case of the City of London, equates to 87 premises.
- 4.4. There are various costs associated with operating a Late Night Levy which would be incurred by the City Corporation. These costs have been calculated to be approximately £15,000 to cover the first year period up to the 31 March 2015. These costs may increase or decrease in future years. This administration cost can be taken from the money raised through a Levy before it is allocated to the City Corporation and the Police.
- 4.5. The City Corporation can use the levy to support participation by premises in best practice schemes by applying a 30% discount to those premises who so participate. It is recommended that any premises meeting the criteria enabling them to gain a City of London's Safety Thirst Award would receive a reduction on their levy payment.
- 4.6. By offering such a discount, it is hoped that premises would be encouraged to participate in the Safety Thirst scheme with the aim of reducing alcohol related crime and disorder.
- 4.7. The table below shows how much money is likely to be produced from the introduction of a levy for different levy periods. Each row shows the amounts for a levy period which is gradually reducing in time by taking back the start time of the levy period. Row one for example, showing money raised if the levy period was for the full six hours and ran from midnight to 06:00 a.m. The last row shows money raised if the levy period was only for one hour between 05:00 and 06:00 a.m.

The columns in the table refer to the following:

- A – Total amount raised if all 290 premises were to pay the levy without any deductions.
- B – Total amount raised if 30% of all premises varied their hours to bring them outside the levy period.
- C – Total amount raised from 70% of the premises less £15k to administer the scheme.
- D – Total amount raised from 70% of the premises less the administration costs and less a discount of 30% to account for premises participating in the Safety Thirst Award Scheme.
- The final two columns is the amount in column D split between the City Corporation and the City of London Police, with 70% going to the Police and 30% to the City Corporation.

	A	B	C	D	Local Authority Portion	Police Portion
Amount raised if Levy introduced from midnight to 06:00	474,949	332,464	317,464	222,225	£ 66,668	£ 155,558
Amount raised if Levy introduced from 01:00 to 06:00	301,917	211,342	196,342	137,439	£ 27,488	£ 109,951
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Amount raised if Levy introduced from 03:00 to 06:00	57,171	40,020	25,020	17,514	£ 3,503	£ 14,011
Amount raised if Levy introduced from 04:00 to 06:00	16,044	11,231	N/A	N/A	N/A	N/A
Amount raised if Levy introduced from 05:00 to 06:00	8,106	5,674	N/A	N/A	N/A	N/A

5. What will Levy funds be spent on?

- 5.1. At least 70% of net revenue raised by the levy must be paid to the City of London Police. In order to meet the requirements of both the Police and the City Corporation it is suggested that the minimum 70% be given to the Police with the remaining 30% going to the City Corporation.
- 5.2. There are no restrictions placed by legislation on how the Police are to spend their portion of the levy. Fears have been expressed in other areas, particularly other London Boroughs, that money raised through a levy and given to the Police could be spent in areas that are totally unrelated to the local authority collecting the money. However, the City of London Police work exclusively within the City of London and any such fears would not therefore be realised. The Police have indicated that any money raised will be spent in areas outlined in sections 5.5 to 5.9 below.
- 5.3. There are restrictions placed on the types of activities that licensing authorities can fund with the levy revenue to ensure that money is spent on tackling alcohol related crime and disorder namely:
- The reduction or prevention of crime and disorder
 - The promotion of public safety
 - The reduction or prevention of public nuisance
 - The cleaning of any highway maintainable at the public expense within the City of London (other than a trunk road) or any land to which the public are entitled or permitted to have access with or without payment and which is open to the air
- 5.4. If a levy was introduced, the City of London licensing authority would spend any money raised on the areas outlined in sections 5.10 to 5.12 below.

Portion allocated to City of London Police

- 5.5. To cover the costs associated with licensing hearings, advice and objections to Temporary Event Notices (TEN's etc.), is estimated as being between £20,000 and £30,000 per annum. It is clear that the police (as a responsible authority) are the key contributor when it comes to identifying a need for a realistic objection to a grant, variation or submission of a TEN.

- 5.6. Funding three additional officers to run an effective ‘action team’ within the licensing department. The team would actively target the licensed premises that have been identified via the Force Intelligence Bureau (FIB) as premises that are responsible for the majority of crime and or disorder occurring at their premises. They would work with those premises so that they can achieve better results in promoting the licensing objectives. Furthermore it would fall to them to identify persistence in failures and contraventions of licensing conditions.
- 5.7. The night time economy has grown considerably in the City of London since the evolution of the police Licensing Team to its current form; however the team has not been expanded accordingly. Over time several “problem” premises have been identified but, owing to a lack of tangible high-grade evidence, it has taken a considerable amount of time to deal effectively and efficiently with them. The extra three staff would facilitate preventative measures in order that further, more formal action is not necessary.
- 5.8. Covert operations to detect offences and as a consequence supply high-grade evidence of licensing offences allowing early intervention would also be funded. This role needs to be carried out by trained officers (sometimes from other forces), as the City’s own licensing officers are known. Past experience would suggest this activity would occur approximately five or six times a year.
- 5.9. In addition, it would allow the Licensing Action Team to further its partnership working with the London Fire Brigade, Security Industry Association, and Trading Standards to be available to engage/detect/advise and enforce where the evidence is overwhelming; to learn lessons and to continue to promote good practice.

Portion allocated to City of London Corporation

- 5.10. The City Corporation would use the money raised from a Levy in two areas. Firstly, it would go towards funding a post to operate the Code of Practice and Risk Assessment scheme. The postholder would work closely with all licensed premises in an advisory capacity in order that they have the best possible chance of promoting the licensing objectives.
- 5.11. Secondly, the City Corporation would fund a team of officers to work during the period midnight to 06:00 a.m. Officers would be able to respond speedily to complaints from members of the public where they are being disturbed by excessive noise. This will allow officers to see the problems as they are occurring and take the appropriate action. In the majority of cases this would involve working in partnership with the licensed premises in question to alleviate problem areas.
- 5.12. The cost to the City Corporation would be approximately:
 - Additional Post - £57k. (This amount includes other charges associated with the post and is not solely salary).
 - Night time response - £23k

6. What should be the Late Night Supply Period?

- 6.1. Data provided by the City of London Police show that the period midnight to 06:00 a.m. accounts for the majority of alcohol related crimes committed in the City of London.
- 6.2. Just over 50% of violent crimes committed in the City are alcohol related whereas between mid-night and 6 a.m. 80% of violent crimes committed are alcohol related.
- 6.3. The Government has indicated¹ that the Late Night Levy charges are designed to reflect an estimate of the number of police hours that may be required as a result of premises opening beyond midnight. It was estimated that, very broadly, one hour of a police officer's time may reasonably be expected to be incurred for every two hours that a large premises opens late (This was not intended to provide an accurate assessment of how much the late night economy costs police forces, but provided a means for setting an appropriate Levy charge based on the principle that police resources are employed as a result of premises opening late). To ensure that the charge was fair and proportionate on business, proportionately smaller charges were set for premises with a lower rateable value.
- 6.4. Police data above show that alcohol related crimes are being committed on a regular basis from midnight. Therefore, in order to use the money raised through a Levy in the most efficient and cost effective manner, it is proposed that any Levy period should be between the hours of midnight and 6 a.m.

7. What exemptions should be allowed?

- 7.1. Certain types of premises may be granted an exemption as prescribed in regulations. These are as follows:
 - **Premises with overnight accommodation:** This exemption is not applicable to any premises which serve alcohol to members of the public who are not staying overnight at the premises, such as a hotel bar which can be accessed by the general public.
 - **Theatres and Cinemas:** Premises in this category must ensure that, during the late night supply period, the sale of alcohol is only made for consumption on the premises to ticket holders, participants in the production or invited guests to a private event at the premises.
 - **Bingo Halls:** Premises must be licensed and regulated under the Gambling Act 2005 and the playing of bingo is the primary activity carried on at the premises.
 - **Community Amateur Sports Clubs (CASC):** This exemption only applies to those premises registered as a CASC under section 658 of the Corporation Tax Act 2012.

¹ 'Dealing with the problems of late night drinking - secondary legislation consultation' (Home Office Impact Assessment)

- **Community premises:** Premises in this category must have successfully applied for the replacement of the mandatory ‘designated premises supervisor’ condition.
- **Country village pubs:** Not applicable in the City of London.
- **New Year’s Eve:** This applies to premises which are authorised to sell alcohol in the supply period only by virtue of the fact they are permitted to supply alcohol during this period on 1st January each year.
- **Business Improvement Districts (BIDs):** Licensing authorities can offer an exemption from the levy for premises which participate in BIDs that operate in the night time economy. There are currently no BIDs within the City of London.

7.2. It is envisaged that no exemptions will be given in the City. All premises falling in one or more of the above categories and authorised to sell alcohol between midnight and 06:00 a.m. do contribute, to some extent, to the cost of policing the late night economy. Further rationale for not applying any exemptions is that this approach creates a level playing field for all affected premises and keeps administrative burdens and costs to a minimum.

8. What reductions should be allowed?

8.1. In addition to the above a licensing authority can also offer a reduction to:

- Premises that are in receipt of Small Business Rate Relief and have a rateable value of £12,000 or less. The reduction is only available to premises that supply alcohol for consumption on the premises.
- Membership to a suitable best practice scheme designed to reduce alcohol crime and disorder.

8.2. The City of London currently operates a Code of Practice and Risk Assessment Scheme whereby premises accumulate points for activities which are detrimental to one or more of the licensing objectives. When a certain number of points are reached, actions will be agreed between the licensing authority and the premises with the aim of reducing, and finally eliminating, the detrimental activities. From 2014 this scheme is to be linked with the Corporation’s award scheme ‘Safety Thirst’ for well-run licensed premises where patrons can drink safely.

For more information on the Code of Practice and Risk Assessment Scheme please go to [Code and Risk Scheme](#).

8.3. The Council is eager to encourage premises to participate in their Safety Thirst scheme that actively works to reduce crime and disorder in the late night economy. Therefore it is proposed that if a Levy were to be introduced, compliance with the scheme would attract a 30% reduction which is the maximum permitted under legislation.

8.4. It is not proposed that the reduction be applied to those premises in receipt of a Small Business Rate Relief. The fact that premises are in receipt of rate relief does not diminish their contribution to the cost of policing the night time economy. However, those premises do have the opportunity of meeting the Safety Thirst criteria and obtaining a reduction of 30% on their Levy payments through that means.

9. General Considerations

- 9.1. The night time economy does provide significant economic benefits for the City of London and the City Corporation must examine any potential detriments that might be caused by the introduction of the Late Night Levy.
- 9.2. The Late Night Levy will range from £299 to £4,440 per year. This is the equivalent of between 82p and £12.19 per day. It is considered unlikely that this would have a detrimental effect on affected businesses or cause them to change their operations. The Government has said² that premises are expected to make higher profits than the cost of the Levy and thus not be dissuaded from operating (as distinct from possessing authorisation allowing them to operate). They consider that 25% is a reasonable estimate of the proportion of premises that may seek to avoid the Levy, by changing their authorisation where they do not actually operate during those hours. But they also say that they expect that only a very small proportion of premises will reduce their actual operating hours to avoid the Levy.
- 9.3. The UK Government sets the amount of the Late Night Levy and has not indicated that it intends to increase the amount of the Levy regularly. It has indicated that it proposes to review the whole policy in 2017. On this basis, the introduction of the Levy is not expected to significantly affect the Night Time Economy in the City.
- 9.4. Some may argue that the costs of addressing crime and disorder should be financed through general taxation rather than be a burden on operators. Parliament has however created the power to introduce the Late Night Levy and require a low but significant contribution to the costs by operators. The principal has been decided by Parliament and the Corporation does not see any need to question that.

10. What next?

- 10.1. A copy of this consultation document will be sent to the following persons allowing for as wide a consultation as possible:
 - Premises licence holders in the City of London
 - Responsible authorities
 - Members of the Court of Common Council
 - Other interested City Corporation services
 - Representatives of local residents

In addition to the above the consultation documents will be available on the City of London's website.

- 10.2. The consultation will commence on Wednesday 26 February 2014 and finish on Tuesday 08 April 2014.

² 'Dealing with the problems of late night drinking - secondary legislation consultation' (Home Office Impact Assessment)

10.3. If a levy is introduced it will commence from October 1 2014. An announcement will be made in June 2014 allowing three months for licence holders to make a free application to vary their licence if they wish to avoid paying the levy.

10.4. The approximate timetable if a levy was to be introduced is as follows:

26 February 2014	Consultation commences
08 April 2014	Consultation finishes
April 2014	Consideration and analysis of survey results
April 2014	Report to Licensing Committee
May 2014	Report to Court of Common Council
June 2014	Announcement of decision
Jul-Sep 2014	Determination of applications to vary a premises licence to take licence outside the levy period (if required)
October 2014	Start of Levy Year

11. How can I express my views?

11.1. Complete the questionnaire attached to this consultation document (pages13-17) and send it to:

Licensing Service
Levy Consultation
Walbrook Wharf
Upper Thames Street
EC4R 3TD

11.2. Alternatively email a copy of the completed questionnaire to licensing@cityoflondon.gov.uk.

11.3. Further documentation can be downloaded from our web site or we can send you a copy on request. For further information please call the licensing team on 020 7332 3406.

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CITY OF LONDON CORPORATION

LATE NIGHT LEVY

CONSULTATION QUESTIONNAIRE

Question 1

It is proposed that a Late Night Levy be introduced in the City of London in order to assist in the funding of the reduction and prevention of crime and disorder in connection with the late night supply of alcohol.

a) Do you agree that a late night levy should be introduced in the City of London? Yes/No

b) If not please give your reasons below?

(n.b. If you answer 'No' to this question, any further answers will only be taken into consideration if a Levy is introduced. Your opposition to the introduction of a Levy will still be noted and be of prime consideration in any decision made).

Question 2

It is proposed that the Levy should be introduced for those premises who supply alcohol between the hours of midnight and 6 a.m.

a) Do you agree that if a levy was to be introduced it should operate between these times? Yes/No

b) If not, during what time period do you think the levy should operate and why?

1am – 6am

2am – 6am

Any other time span (please state which time span)

Reasons for your choice of time period:

Question 3

It is proposed that no premises should be exempted from paying the Levy.

a) Do you agree that there should be no exemptions? Yes/No

b) If not, which of the following types of premises do you think should be exempted from paying the levy? (mark each one you think should be exempted).

- | | |
|--------------------------------|--------------------------|
| Overnight Accommodation | <input type="checkbox"/> |
| Theatres & Cinemas | <input type="checkbox"/> |
| Bingo Halls | <input type="checkbox"/> |
| Community Amateur Sports Clubs | <input type="checkbox"/> |
| Community Premises | <input type="checkbox"/> |
| New Year's Eve | <input type="checkbox"/> |
| Business Improvement Districts | <input type="checkbox"/> |
| No Exemptions | <input type="checkbox"/> |

c) If you have ticked one or more of the boxes above please give your reasons below.

Question 4

It is proposed that premises meeting the necessary 'small business rate relief' criteria should not be entitled to a reduction in Levy.

a) Do you agree that such premises should not receive a reduction? Yes/No

b) If not, please give your reasons below?

Question 5

It is proposed that those premises meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% reduction in their Levy payment.

- a) Do you agree that such premises should receive a 30% reduction?
Yes/No

- b) Please give your reasons below.

Question 6

It is proposed that the income raised from the Levy should be divided between the City Corporation and the City of London Police with 30% going to the City Corporation and 70% to the Police.

- a) Do you agree that the net revenue from the levy should be split in this way? Yes/No

- b) If not, please give your reasons for this and the split you feel would be more appropriate (Please remember that the City of London Police cannot receive less than 70%).

Question 7

It is proposed that that income from the Levy received by the City Corporation will be spent in accordance with paragraphs 5.10 and 5.11 of this document.

a) Do you agree with the way in which the City Corporation will spend their portion of the levy. Yes/No

b) If not, please give your reasons below and any suggestions you have for ways in which the money can be spent (please remember that the money can only be spent on those areas described in paragraph 5.3 of this document.

Question 8

a) Do you agree with the way in which the City of London Police will spend their portion of the Levy? Yes/ No

b) If not, please give your reasons below giving examples where possible of how you think the money would be better spent.

Question 9

Have you any other comments to make regarding the introduction of a Late Night Levy?

Thank you for completing this questionnaire. Could you please indicate below the capacity in which you are making your comments?

Licensed Premises (with licence to sell alcohol after Mid-night)	<input type="checkbox"/>
Licensed Premises (with licence to sell alcohol no later than Mid-night)	<input type="checkbox"/>
Non-Licensed Business (no licence to sell alcohol)	<input type="checkbox"/>
Resident	<input type="checkbox"/>
Alderman or Common Councilman	<input type="checkbox"/>
Other (please state)	<input type="text"/>

We are happy to accept the consultation questionnaire anonymously but if you would like to tell us who you are then please complete your details below:

Name: _____

Organisation you represent (if relevant): _____

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Analysis of Consultation

Questions 1-2

Question 1 - Do you agree that a late night levy be introduced in the City of London?

Question 2 - Do you agree that if a levy was to be introduced it should operate between midnight and 6 a.m.? *(Those responding in the first column '12-6' agree with this statement).*

<u>Category of Respondent</u>	Total Respondents	Q.1		Q.2			
		Yes	No	12-6	1-6	2-6	Other
Selling alcohol after midnight	18	9	8	3	6	4	3
Selling alcohol before midnight	16	13	3	10	3	0	0
Other Businesses	0	0	0	0	0	0	0
Residents	5	5	0	5	0	0	0
Members	12	12	0	10	2	0	0
Other	19	7	11	7	1	3	2
TOTAL	70	46	22	35	12	7	5

Question 3

Question 3 – Do you agree that there should be no exemptions from paying the levy? *(Those responding in the 'none' column agree that there should be no exemptions. Other columns represent the number of respondents that feel a particular category should be exempted).*

<u>Category of Respondent</u>	Q.3							
	None	Hotels	Theatre	Bingo	Sports	Comm- unity	New Year	B.I.D.'s
Selling alcohol after midnight	4	5	3	2	3	3	5	1
Selling alcohol before midnight	6	5	4	3	2	3	5	2
Other Businesses	0	0	0	0	0	0	0	0
Residents	5	0	0	0	0	0	0	0
Members	6	4	4	0	2	3	2	1
Other	9	4	2	2	0	1	6	4
TOTAL	30	18	13	7	7	10	18	8

Questions 4-8

Question 4 – Do you agree that businesses meeting the ‘small business rate relief’ criteria should not receive a reduction?

Question 5 – Do you agree that premise meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% discount?

Question 6 – Do you agree that the minimum 70% of the net revenue raised from the levy should go to the Police?

Question 7 – Do you agree with the way in which the City Corporation will spend their portion of the levy?

Question 8 – Do you agree with the way in which the City of London Police will spend their portion of the levy?

<u>Category of Respondent</u>	Q.4		Q.5		Q.6		Q.7		Q.8	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Selling alcohol after midnight	8	7	12	2	10	5	10	4	10	3
Selling alcohol before midnight	12	2	10	4	11	3	10	3	12	1
Other Businesses	1	0	1	0	1	0	1	0	1	0
Residents	4	0	3	1	3	1	3	0	2	0
Members	9	3	9	3	11	1	12	0	12	0
Other	8	9	12	4	9	6	8	6	7	7
TOTAL	42	21	47	14	45	16	44	13	44	11

General Consultation Comments

Question One - Do you agree that a late night levy be introduced in the City of London?

Placing additional financial pressure on social and leisure businesses may discourage such businesses to the detriment of City Corporation objectives (6).

Well run establishments should not be penalised, only those that have and do pose a risk (3).

The levy should not become a general tax.

Crime is low in the City. Levy is unwarranted (2).

The crime figures do not support the introduction of a LNL. There is no indication what % of alcohol related crime is attributed directly to licensed premises. The evidence does not relate the crime figures to the supply of alcohol between midnight and 6am. Alcohol related crime is a small proportion of overall crime in the City. City Corporation is already adequately funded. City of London crime figures are low compared to other areas.

It is unfair to seek funds from a class of premises because they trade during a specific period. The fee structure of licensing is currently under review and may lead to double taxation when considered with the LNL

Businesses in City of London already pay high rates. Crime in City of London is low therefore a LNL is not justified. Good practice schemes should be incentivised - they have positive impact in dealing with problems. There is no certainty that monies raised by LNL will be used to address crime and disorder.

There is no basis for introducing a LNL. Crime is low in the City. Late night licences are being granted by City of London despite the perceived problems with the NTE.

LNL will impose significant cost burden on hospitality industry, affecting viability of businesses. Business rates are high and should cover some of the costs the levy seeks to meet. Operators likely to cut back hours so as not to pay levy resulting in uniform terminal hour in the City. LNL makes no distinction between good and bad operators. Voluntary good practice schemes are more cost effective and promote a better buy in from operators

Question Two - Do you agree that if a levy was to be introduced it should operate between midnight and 6 a.m.?

Little happens before mid-night. If period set at a later time it would lessen the burden on many premises

Late as possible to minimise impact on pubs and restaurants. (5)

Problems start after 11p.m. therefore period should start earlier

Allowing drinking until 1am discourages binge drinking before closing time.(2)

There is more risk of drunken disorder due to hardcore drinkers after 2am

Any problems associated with alcohol related crimes in the City can be addressed through BIDS and Safety Thirst.

If a LNL is adopted it should not commence before 3am as this is the time there appears to be a problem with alcohol related offences linked to the NTE

More detailed examination of crime figures is required to justify the introduction of a LNL

Question Three - Do you agree that there should be no exemptions from paying the levy?

All should be treated the same except for New Year's Eve (NYE)

All premises should contribute (2)

If LNL is adopted it would be unfair to have any exemptions

Responsible suppliers of alcohol should not be penalised

Livery halls should be exempt as they do not add to the problems associated with Night Time Economy.(5)

Bingo halls should not be exempt. Everyplace where the public attends should pay the Levy

Must be a level playing field except for BIDS and NYE

Overnight accommodation, theatres, cinemas and community premises operate in a manner where it is normal to have customers consuming alcohol after midnight. Not the sort of place where trouble would be anticipated and should be exempt. NYE should also be exempt.(2)

Restaurants should be exempt. Only clubs operating after 3am should pay.

Restaurants should be exempt. Diners generally do not cause disturbance. Sports people tend not to get drunk, neither do people who go to the cinema, theatre or community premises. People traditionally get drunk on New Year's Eve into the early hours. A levy for this would be profiteering.

Drunk people in a hotel do not cause disturbance on the streets. NYE celebrations should be free of obstacles

Overnight accommodation premises do not contribute significantly to the detrimental effects of the NTE. Hotels should be exempted where they only serve alcohol to people staying overnight at the premises as they are not likely to leave the hotel and be a burden to policing the NTE. NYE should be treated as a special occasion. It is reasonable to exempt premises contributing to a BID.

Overnight accommodation premises should not have to pay if they only provide alcohol to those staying there. Theatre, cinema and Bingo Halls should not pay as they are unlikely to contribute to alcohol related crime and disorder. NYE is a national event that in the past has been deregulated and should be exempted.

Overnight accommodation should be exempt where supply is only to those staying there. NYE is a one off occasion and should be exempted. Knock on effect would be for premises to vary hours to remove NYE and then apply for TENs - an increased workload for the licensing authority. Premises in BIDs should be exempt as they contribute to the improvement of city centres.

NYE should be exempted as it is a significant public celebration. Premises in BIDs should be exempt as they contribute to the improvement of city centres.

Additional costs on community premises would impact on the inclusiveness of people in the area

Question Four - Do you agree that businesses meeting the ‘small business rate relief’ criteria should not receive a reduction?

Levy should be reduced in proportion to the rate reduction

Opportunity to discount an SBBR should be taken up to limit damage to the economy of small businesses

It will be detrimental to small businesses (if they didn't get the discount) (5)

Small premises attract as much police attention - why should they get a reduce rate (3)

Businesses should be incentivised (by getting a discount)

If LNL is adopted it would be unfair to penalise large businesses. Small businesses can add to NTE problems

Small businesses qualifying for small business rate relief are not likely to sell much alcohol and should be exempted

No evidence to suggest that alcohol supplied on such premises is any less likely to contribute to crime and disorder

Question Five - Do you agree that premise meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% discount?

Everyone trading after 1a.m. should pay the Levy, there should be no financial merit for meeting the requirements of reasonable schemes

Everyone should be treated the same

Too complicated (3)

If businesses invest in best practice schemes they should have their Levy reduced.

If a levy is introduced we will consider withdrawing from all good practice schemes. These were designed, and in our opinion ensure, our premises are run in an orderly fashion. The introduction of a levy across the piece ignores this and therefore membership becomes irrelevant.

Puts in danger voluntary partnership working

As important as Safety Thirst is premises should be meeting these standards anyway. Too high a discount.

Should be more support for street cleaning

Root cause of alcohol related disorders and violence is only alcohol. Reducing alcohol supply in this supply period is the only solution

Persons applying for awards are not those employed after 1am. Awards do not translate to real change on the ground.

There should be a reward/incentive for encouraging safe drinking practices (12)

It should be incremental. 15% in the first year and 30% in following years

A scheme must be rigorous, audited and followed up with compliance visits. A 20% reduction is more reasonable

Pubwatch should also be considered for a reduction

Question Six - Do you agree that the minimum 70% of the net revenue raised from the levy should go to the Police?

Not proportionate as Local Authority incur large cleaning bills

Greater percentage to the Local Authority

Should be sufficient amounts for street cleaning (2)

Local Authority should only cover administration - the rest should go to the Police

100% income to police (2)

90% to police as they bear the burden of late night drinking. 10% to City of London

There should be no levy. It will end up funding areas of LA & Police work not associated with NTE

The levy should be used to provide 'added value' to well run businesses, not just to fund existing activities and commitments

Why should the local authority get any more money. They collect business rates

Neither organisation needs more money to police a problem that has not been proven on the face of the consultation document

As there is no binding requirement for Police to spend its share in policing the NTE, the licensing authority should get its maximum possible share. Consideration should be given to the development of a joint programme which would pool the levy proceeds to maximise impact

Question Seven - Do you agree with the way in which the City Corporation will spend their portion of the levy?

Not to be used simply for administration.

Money should be set aside for damage/repair and street cleansing

Money should not fund new positions in Local Authority - should support business led good practice schemes

Spending on administration and enforcement is not likely to sufficient impact or engage operators. A liaison group of operators and authorities should be set up to decide on spending priorities. This will develop collaborative approach to improving the NTE.

Money should go to police (2)

There should be no levy

It is not fair for a small portion of licensed premises to pay for a service that will benefit all licensed premises. The LNL should not be used to create a general enforcement post. Money should go towards street cleansing

Income should be used to fund enforcement of licensing and planning objectives and to increase night time street cleansing

Why should the local authority get any more money. They collect business rates

If a LNL is adopted, money would be better focused on dealing with crime and disorder associated with NTE.

Increased inspections may not have a material impact on alcohol related crimes. There is a concern that LNL proceeds will be used to fund work not linked to the NTE

The amount raised in revenue for the licensing authority may not be as much as anticipated and question whether City of London will be able to deliver its programme

Question Eight - Do you agree with the way in which the City of London Police will spend their portion of the levy?

Too much emphasis on administration (2)

There should be no levy

The proposed new action team should work with licensing & planning to enforce licensing and planning objectives of NTE

The evidence indicates no link between licensed premises and alcohol related crime

The Police action team does not appear to be focussed on the NTE. Money should be used to fund extra officers on the street during the levy period

LNL proceeds should be used to provide front line policing of the NTE, not on administration

Police resources should be directed at dealing with irresponsible and criminal individuals and businesses that do not comply. Police must engage businesses.

LNL proceeds should be spent in a manner which benefits all operators who contribute eg, funding of participation in partnership schemes to benefit whole NTE. Good operators should not see their money spent on enforcement action against poor ones

Question Nine – General Comments

Only charge Levy to those causing the problems (4)

Target only problem premises and not every one, particularly not Livery companies (2)

Banks should be exempt

No restriction on spending by the Local Authority - leave it flexible

If premises do not make sufficient profit to pay the Levy they can reduce their hours to bring themselves outside of the Levy period.

Companies benefitting from the late night economy should pay for enhanced policing and protection for residents

Income from LNL could be used to fund additional costs of night time parking enforcement.

Businesses still struggling with effects of recession. Rising costs have put businesses out of business; additional costs will be a burden. Closed businesses will raise no revenue for the authority. A blanket levy charge is unfair and does not take into account the real areas of risk

Livery Halls are not known for creating disturbance. They should be exempt (2)

Licensed premises have additional costs associated with provision of security staff & CCTV. No more costs (2)

Premises that have been prosecuted should pay 5x the levy for the first offence and 20x the levy for second offence

All organisations should support improvement to the social environment. The initiative needs to be carefully controlled and must not creep forward before midnight as a means of enhancing revenue

Asking businesses that only operate occasionally beyond midnight to pay the levy would be unfair

There is no requirement for a LNL in City of London. The evidence does not support it. It would be unnecessary, unfair, unprofitable and disproportionate. Results can be achieved by more effective and economic means. Problematic premises can be dealt with by way of review.

There is a concern that monies raised by the LNL will not be used by the Police or Licensing Authority for additional policing related to the NTE. A LNL will force premises into reducing hours to avoid paying the fee. Losing this amenity in City of London will be detrimental. Business rates in City of London are already high. The amount of revenue raised by a LNL could be less than expected. There is a review process under the Licensing Act 2003 to deal with problem premises. Should the introduction of a LNL be postponed until the Licensing Act 2003 fees review is complete?

The LNL is a significant tax to be imposed on premises already struggling financially. Crime is low in City of London. Many premises will vary hours to fall outside of LNL period.

**n.b. Figures in brackets represent the number of similar comments made*

ALMR

LATE NIGHT LEVY CONSULTATION A SUBMISSION BY THE ASSOCIATION OF LICENSED MULTIPLE RETAILERS

The Association of Licensed Multiple Retailers (ALMR) welcomes the opportunity to submit additional written evidence to the City of London's consultation on the introduction of a late night levy. As the only national trade body dedicated to representing licensed hospitality, including late night businesses, we are well placed to do so. A significant number of our members operate within the City of London and will be directly affected by the proposed levy. Whilst some of these will be larger, modern bars with a significant food or entertainment offer, many will be traditional wet led outlets; all are substantive and sizeable employers and all are opposed to the proposals. This response builds on our earlier submission to the original levy consultation.

Background & Overview

The night time economy is one of the UK's primary economic sectors and makes a positive contribution:

- Generates £66 billion in revenue - 6% of UK turnover
- Employs 6% of the UK workforce – 550,000 directly and 450,000 indirectly
- Accounts for 8% of UK firms – two thirds of them small businesses
- Paying 46% of turnover in taxes - funding vital public services
- Generating £209k GVA per outlet for the wider local economy
- Serving 20 million meals a week, 3.6 million cups of coffee and 15 million customers
- Investing on average 8% of turnover directly in crime reduction, rising to 11% for late night businesses
- Participating in industry schemes like Best Bar None, Purple Flag, Pub/ClubWatch and BIDs

In the City of London, the **importance of the sector in terms of employment and job creation** should not be under-estimated. Leisure is the second largest employer, generating 21% of all jobs in the City compared to 30% in business services. ALMR research suggests the 747 licensed hospitality businesses in the City employ over 17,000 people and generate a GVA of more than £142 million a year; premises licensed after midnight contribute more per site to this measure than comparable venues which close earlier. This positive job creation record could be jeopardised as a result of the additional costs of a levy or the reduction in profits some businesses will face by closing earlier to avoid the costs; bringing closing hours forward to before midnight may have the effect of removing a full shift.

The City Prospectus identifies **hospitality as playing an important role in the City's economy and society** and in particular in maintaining the City's status as a pre-eminent business centre. In recent years, the industry has invested heavily in retail redevelopment and regeneration initiatives across the City which have transformed it from a district which closed down in the early evening, on bank holidays and at weekends to one which fulfils the Prospective objective to "meet the high expectations of the business, resident, student and visitor community". A recent economic paper produced by the Greater London Authority estimated that on average, for all London Boroughs, despite crime and disorder costs local authorities are net beneficiaries from the NTE, with a cost-benefit ratio of between 1:5.5 and 1:8.8; this rises to 1:26.5 in the City, underlining the importance of the sector to the local economy.

The night time economy is not just an important economic business sector in its own right, it also **underpins the success and contribution of other businesses** within the city. A vibrant, eclectic and attractive licensed hospitality offer attracts leisure spend throughout the day as well as the evening and is vital to supporting and sustaining the city's events, retail and tourism communities. Visitors, residents and businesses, depend on a

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diverse range of eating and drinking out outlets. The businesses that thrive and provide a vibrant late night offer are often the same businesses which provide those services throughout the day – and vice versa.

The health of the sector and the economy are interlinked and measures such as the levy which undermine late night businesses will have a knock on effect on the viability of trade during the day and evening. A late night levy will therefore result in businesses either closing earlier or focusing on quick, volume sales, particularly high-margin alcohol sales, resulting in a less diverse NTE going forward. The proposals risk damaging the City's reputation and image as a "7 days a week, late night economy" as identified in the City Prospectus.

It is worth noting in this context that City's night time economy is in direct competition with neighbouring Boroughs. The levy could adversely impact the council's strategic objective of capturing more and different leisure visitors. The proposals would therefore place City at a further **competitive disadvantage**.

Clearly, the City attracts a large proportion of workers and other visitors who, together with residents, have an eating and drinking spend which increases the area's GDP. It is important that this is not only recognised but taken into account in any analysis of crime and disorder figures – the true metric is crime per head not resident or visitor for example – and in any final assessment of the socio-economic risk of imposing a levy.

While the consultation briefly acknowledges the vibrancy and dynamism of the NTE, we are disappointed that it does not recognise that the **majority of users enjoy the late night economy safely and responsibly**. HMIC data reveals significantly lower levels of violent crime in the City per capita than in the next-best force; this will be significantly reduced if plotted against the large number of visitors. HMIC also reports crime being "broadly stable between the years ending March 2011 and March 2012 and fell between the years ending March 2012 and March 2013". Indeed, the City of London has, in other circumstances, promoted itself as a low crime area.

The consultation also fails to take due account of the fact that the majority of licensed hospitality **businesses in the City work hard and invest heavily in minimising any nuisance or problems which may arise**. Historically, the City has always recognised the need to maintain a careful balance and recognised that an effective solution to potential problems arising from the late night economy can only be delivered through a partnership approach with relevant organisation, including licensed premises. Indeed, a report published by the police in July 2013 shows that this type of multi-agency working has achieved a 1.9% reduction in violent crime – something they had thought to be "out of reach".

It is also unclear from the Corporation's proposals that the money raised by the proposed levy will be spent within the City's night time economy; rather, it appears that the revenue would be used to fund enforcement and inspection activity against already-compliant, responsible businesses. While the Corporation cannot control how the City of London Police spends its portion of the money, the Corporation should commit to using any revenue from this proposed new tax exclusively to fund activities intended to ameliorate environmental problems that may arise in a night time economy, such as litter, noise and crime, as intended by the legislation.

The current **Best Practice**, risk assessed and targeted approach is **delivering meaningful results in an already low risk environment**. It balances the conflicting demands of business, residents and visitors; ensures that action is directed at those premises causing a problem or failing to manage their businesses effectively; and avoids unduly penalising the responsible majority. The imposition of a levy risks disrupting that balance and undermining positive partnership working and, more importantly, trade support for existing initiatives such as Safety Thirst and the Good Practice Guide.

Finally, we are concerned that the proposals may undermine existing licensing policy by effectively reintroducing a terminal hour. Section 57 of the policy states that the Council will encourage longer hours and Section 73 and

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74 encourage varied closing times in different areas so that “patrons leave for natural reasons over longer periods, thus minimising disturbance”. These policies were explicitly introduced to prevent a replication of previous large scale departures, whatever the hour, which the City acknowledges in its licensing policy was to the detriment of the licensing objectives. The levy will cut across this policy intent as many businesses will amend their hours as a result of its imposition.

We therefore believe that a levy would be **undesirable and inappropriate**. It would damage the economic competitiveness of the night time economy as a whole, reduce diversity and mix of outlet and would not tackle problems arising from off-sales of alcohol or consumption outside the City.

Response to Consultation Questions

1. Do you agree that a Late Night Levy be introduced in the City of London?

No, we do not agree that a Levy should be introduced.

The *ALMR* continues to oppose the imposition of an additional tax on late night businesses at a national and local level, particularly when it will be not be levied on all the businesses engaged in late night activity and contributing towards the anti-social behaviour and disorder problems arising from it. Businesses already face paying a series of additional local taxes in the form of supplementary business rates as well as contributing to a range of voluntary social responsibility initiatives and investing in their own internal management standards and security.

The consultation document acknowledges that crime numbers in the City of London are low and, despite almost a doubling of visitor numbers, have remained largely unchanged. Indeed, in the year ending October 2013, total alcohol related crime fell by 11% and is clearly trending downwards. A police report published in July 2013 showed that violent crime was down by almost a third in December 2012 as compared to previous years and HMIC reports also show that violent crime has fallen over the previous two years. Levels of anti-social behaviour are also declining. It is difficult, therefore, to identify the significant and serious problems which justify the imposition of a levy or require the investment of additional resources.

These falls in violent crime and anti-social behaviour took place ahead of the introduction of the City's Good Practice Guide and Traffic Light scheme and the more proactive enforcement which accompanies them. While these schemes are by no means perfect – there is more scope to incentivise good practice through positive points and penalty points may be being over-applied where one incident involves multiple participants - both measures have the potential to reduce crime levels even further. It is, however, too early to assess the impact of either and therefore consideration of a levy is premature; its imposition may also undermine trade support for these existing measures.

What is clear, however, is that current voluntary best practice initiatives such as Safety Thirst and Best Bar None – neither of which depend on intrusive enforcement and inspections - are having a positive impact in dealing with the root cause of potential problems (rather than delaying with their after-effects) and promoting responsible retailing. By tackling problems at source and preventing them arising in the first place, we believe that this approach will be more effective at tackling alcohol related crime and disorder and thereby reducing the costs associated with policing the late night economy.

More importantly, businesses remain concerned that there is no certainty that the monies raised will be used to address specific problems in their area. We remain unclear as to how the inspection and

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enforcement activity against existing premises will reduce and prevent general problems of crime and disorder on the City streets.

2. Do you agree that if a levy was to be introduced it should operate between midnight and 6am?

Given that we do not believe a LNL is an appropriate and proportionate intervention in the market, we do not believe that any Late Night Supply Period should be imposed. We therefore disagree with the proposal for midnight to 6am.

b. If not, during what time period do you think the levy should operate and why?

The decision as to the supply period should be evidence-based and justifiable. Based on the tables on pages 2 and 3, it would appear that there may be evidence of a particular problem at 3am connected with alcohol related offences and arguably most likely in relation to consumption within the NTE. An earlier start time may mean that incidents are included in the levy period which are caused by consumption in a domestic or street setting, or outside the City, earlier in the evening.

3. Do you agree that there should be no exemptions from paying the levy?

While we do not support the imposition of a levy on any business we agree that, if the problems post-midnight are sufficiently serious to warrant its imposition, then all businesses selling alcohol at that time should be liable.

The only exception to this should be businesses which are licensed to sell alcohol after midnight on New Year's Eve. Prior to the introduction of the Licensing Act 2003, the Government legislated to deregulate at a national licensing hours for all premises for New Year's Eve. This was a grandfather right protected under the transition to the new licensing regime and it would be wrong for it to be removed by anything other than due legal process. The levy should not apply to premises which have a relevant late night authorisation in respect of New Year's Eve.

4. It is proposed that premises meeting the necessary 'small business rate relief' criteria should not be entitled to a reduction in the Levy?

No.

Given the significant additional costs a levy will impose, and the fact that this may undermine the viability of smaller businesses in particular, we believe that the Council should employ all discretionary reductions or discounts which are available to them.

5. Do you feel that premises meeting the Safety Thirst Award Scheme should be entitled to a 30% reduction in the levy?

Yes.

It is accepted at a national level and indeed in the Council's Licensing Policy that voluntary best practice and partnership schemes which are focused on raising management standards are far more effective than other, more blunt measures, in tackling alcohol related harms. We believe that a partnership approach which deals with the root cause of any problems and is targeted and proportionate is a better means than a flat rate levy on all business. The imposition of a levy may raise revenue to clean up any problems, but it will do nothing to deliver better management standards and encourage responsible retail practice which may prevent such problems occurring in the first place or at least make them much easier to deal with.

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Our preference remains for these schemes to be used in preference to a levy, but if a levy is to be imposed then a 30% reduction is vital to ensure that operators are not deterred from participating and the schemes are not undermined.

6. Do you agree that the net revenue from the levy should be split with 30% going to the Local Authority and 70% to the Police? If not, how would you rather see the money spent?

How the levy proceeds are to be split is arguably of less importance than whether a new tax should be imposed in the first place. We do not agree that it is desirable to raise the revenue through a levy; as noted above, a more collaborative partnership approach may well have delivered more effective results without the need for a levy. We urge the Council and police to continue to work in partnership with the licensed retail trade to deliver effective solutions to clearly defined problems.

7. Do you agree with the way in which the Licensing Authority are intending to spend their portion of the levy. If you do not agree with the way in which the Licensing Authority are to spend their proportion of the levy, how would you rather see the money spent?

We are concerned that you can only answer this question by accepting that a levy will be introduced. We do not agree with the way in which either the police or the local authority are intending to spend their portion of the levy but that does not mean that we believe the money should be otherwise spent; we do not believe that the money should be raised in the first place.

We question whether increased inspections will have a material impact on the number of alcohol related crimes on the street or general disorder and believe that this is the wrong focus of activity when existing best practice and traffic light schemes are already directed in this area. This will only further penalise and burden responsible operators but do nothing to reduce crime more generally or contribute to the costs of policing the late night economy.

The Government consultation on locally set licensing fees makes clear that these fees are to be used to fund the establishment of an appropriate licensing department. We are concerned that the Corporation is proposing to use levy proceeds to fund administrative work that is not clearly linked to eliminating or tackling problems in the NTE.

If a levy is to be introduced then the proceeds must be focused on front line policing of the NTE, not on administration.

8. Do you agree with the way in which the Police will spend their portion of the levy?

We are concerned that you can only answer this question by accepting that a levy will be introduced. We do not agree with the way in which either the police or the local authority are intending to spend their portion of the levy but that does not mean that we believe the money should be otherwise spent; we do not believe that the money should be raised in the first place.

We are, however, extremely concerned that the police are proposing using levy proceeds to cover their legal costs associated with taking cases against individual premises or objecting to TENs and applications. We believe that this is wholly inappropriate and could have a distortative effect on enforcement priorities and activity. As originally envisaged, the levy was designed to tackle general problems or costs associated with policing the late night economy, not individual cases which were specifically attributable to individual premises. In this way it was to provide additional resources over and above those already directed at tackling problem premises.

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If a levy is to be introduced then the proceeds must be focused on front line policing of the NTE, not on administration.

9. Have you any other comments to make regarding the introduction of a Late Night Levy?

In deciding whether to introduce a late night levy, the licensing authority must bear in mind that this will be seen as a significant and substantive extra tax imposed by the Council on operators who are already struggling in the current financial climate. It will have direct consequences for business profitability and viability as well as GVA to the local economy and employment patterns.

The City of London's current low levels of crime and disorder and strong reputation for being a safe night out are dependent on attracting a wide and diverse range of customers, venues and activities after dark. Imposing a significant additional operating cost on those businesses will inevitably mean that will narrow going forward to those drink led late night businesses which can generate sufficient income to cover the levy costs and this may jeopardise the city's status, income and investment by the sector – this would not just be restricted to night time businesses but would have a knock on effect across the day-time economy. Many of our members have said that they will voluntarily vary their hours to exempt themselves from the levy – this will not only reduce the mix of businesses trading, but also reduce levy revenues.

Sections 57, 73 and 74 of the Corporation's highlight the importance of flexible licensing hours and staggered closing times in managing gradual dispersal and minimising anti-social behaviour and disturbances. If a number of premises reduce their hours as a result of the levy, this could potentially create anti-social behaviour issues with a large number of premises closing at the same time and a return to the spike of crime, disorder and nuisance at midnight observed across the country prior to the introduction of the Licensing Act 2003.

The National Alcohol Strategy states that targeted action taken voluntarily by pubs and clubs themselves is most effective in curbing irresponsible drinking and associated drunken violence. The Home Secretary, Theresa May, in publishing the strategy, suggested that a legislative approach, either national or local, was a 'sledgehammer' which all too often misses its target and that a partnership approach was more effective. This is demonstrably the case in the City of London and our concern is that the imposition of a flat rate tax may undermine this and the businesses the Corporation needs to realise its strategic ambitions for the City.

**RESPONSE OF JD WETHERSPOON PLC TO THE CITY OF LONDON
CORPORATION'S LATE NIGHT LEVY CONSULTATION
FEBRUARY TO APRIL 2014**

Question 1

It is proposed that a Late Night levy be introduced in the City of London in order to assist in the funding of the reduction and prevention of crime and disorder in connection with the late night supply of alcohol.

a) Do you agree that a late night levy should be introduced in the City of London?

No.

b) If not please give your reasons below.

JD Wetherspoon PLC is one of the United Kingdom's largest and most well-known operators of managed pubs, employing over 33,000 people. Founded in 1979 by our current chairman Tim Martin, the company has 909 premises spread throughout England, Wales, Scotland and Northern Ireland.

During that period, the company has been at the forefront of the evolution of the pub with such initiatives as breakfast opening, increased access for families, the promotion of real ale and the wider availability of food.

The company has long established policies and procedures to ensure its premises promote the licensing objectives. We are committed to partnership working at every level to ensure that our pubs, and the late night economy in which they operate, are safe environments for our staff and customers.

As well as being a significant source of employment, especially for workers in the 18 to 25 age range, our premises are valuable social and community assets where people of all ages can eat, meet and drink in safe and comfortable surroundings.

JD Wetherspoon currently operates 4 premises in the City of London Corporation Licensing Authority area, 3 of which would be liable to contribute to the Levy on the assumption it applied to premises authorised to sell alcohol after Midnight.

Historically, we have had a constructive working relationship with the City of London Police. We oppose the imposition of the Levy but wish to reiterate that this should in no way be taken as a lessening of our commitment to continue working with the authorities in the City going forward.

We are opposed to the implementation of a Levy for several reasons. Firstly, it will impose a significant further cost burden on the hospitality industry within the City, when the overall costs the industry must pay whether for food, drink, labour and taxes continue to rise and customers' real incomes shrink impacting on profitability, and in some instances, the very viability of the businesses effected.

The Levy also follows on from a decade of significant and costly legislative change for the licensed industry starting with the Licensing Act 2003, the ban on smoking in public places and myriad other ancillary legislation during the same period all of which has increased the red tape burden, both in money and time, required for compliance.

We have calculated a total annual Levy payment for the 3 premises likely to be effected by the levy of £10,373.00

In addition to the above, we pay business rates with a reasonable expectation that some of the costs the Levy seeks to meet would be met from those. The industry is also one of the most highly taxed in the country; last financial year alone we paid almost £551,000,000 in VAT, Corporation Tax, NI, excise duty and other ancillary taxes.

We are a large national operator better placed to absorb such costs, but smaller independent operators may not, leading to a loss of individuality in the City's late night economy if those operators choose not to trade in it because of the increased financial burden. Nonetheless should the Levy be introduced we will be forced to consider the economic viability of trading our premises in the late night supply period. If there is not an economic case for remaining open, then we will not do so with a consequential impact on jobs and amenity.

It is not so much the financial impact of the Levy in isolation that should be considered, but its cumulative impact alongside the other increasing costs referred to above.

The late night economy of the City is not composed solely of businesses which may lead to crime and disorder. Many businesses impacted by the levy serve a diverse customer base visiting the numerous restaurants, cultural and business events that are a crucial part of the City's national and international appeal. It is these businesses that will be most affected by the Levy in that their trade in the Levy period may not be great in comparison to alcohol led, high volume premises and therefore have the least means to pay it. They are most likely to opt not to trade beyond the period the Levy applies leaving a likely mono-culture of larger premises and cutting down customer diversity; a diversity which has been long acknowledged as making for a more peaceable atmosphere in town and city centres.

The City of London Corporation should also consider the risk of a de facto uniform terminal hour for premises arising as operators cut back their premises licences to cease at the time the Levy applies from. This will mean more customers on the street at the same time with resultant pressure on resources such as taxis, fast food outlets and policing.

If operators do choose to pay the Levy then they will have to look to ways to generate the additional income to pay it. In a late night economy which is already very competitive this may lead to further discounted drinks promotions.

Given the economic and cultural contribution the late night economy makes to the City, the justification for imposing a greater financial burden on it needs to be a compelling one.

The fairness of the Levy should also be taken into account. We operate our premises in the City in close cooperation with the Police and other authorities. We adhere to responsible drinks retailing and steer away from those promotions which undoubtedly encourage intoxication and anti-social behaviour. The Levy however, makes no distinction between good and bad operators. The justification for a Levy in general terms has been expressed as making the polluter pay, but of course whilst the polluter does pay, so do others who contribute little to the crime and disorder the cost of reducing the levy seeks to meet

We would instead place a greater emphasis on partnership working with operators. There are many examples of successful voluntary schemes between venues and authorities which have a direct impact on reducing crime and disorder and therefore the costs of policing it. These include Best Bar None, Pubwatch, Purple Flag and Business Improvement Districts. These schemes allow venues to use their own inherent expertise and knowledge of the business

environment to effect change rather than simply being asked to fund work by others who do not have such expertise and knowledge. The schemes are therefore much more cost effective and promote a greater buy in from operators than that which will be created by a Levy which many will, with justification, view as simply an additional tax.

Question 2

It is proposed that the Levy should be introduced for those premises who supply alcohol between the hours of Midnight and 6 a.m.

a) Do you agree that if a levy was to be introduced it should operate between these times?

No.

b) If not, during what time period do you think the levy should operate and why?

1am – 6am

2am – 6am

Any other time span (please state which time span)

We do not support the Levy in principle therefore do not advocate any time period for its operation.

If a Levy was to be introduced, we would argue that it should apply to true late night operators as opposed to those venues, largely pubs and restaurants, whose licences only allow them to trade a limited time after midnight, perhaps on one or two nights a week, and whose main business focus is therefore before midnight. It is not these types of venues whose customers traditionally contribute to late night disorder. It is noteworthy that from the crime figures for alcohol related violent crimes provided by the City of London Police, the highest number of crimes take place in the period from 0100 to 0300. Can it be reasonable, fair or proportionate that premises that may cease selling alcohol at Midnight, 0030 or 0100 be required to pay for dealing with crimes occurring hours after they are shut?

Question 3

It is proposed that no premises should be exempted from paying the Levy.

a) Do you agree there should be no exemptions?

No

b) If not, which of the following types of premises do you think should be exempted from paying the levy? (mark each one you think should be exempted).

**Overnight Accommodation
Theatres & Cinemas
Bingo Halls
Community Amateur Sports Clubs
Community Premises
New Year's Eve**

Business Improvement Districts No Exemptions

As a general principle, we do not support any proposed exemption to the Levy based on individual types of premises with the exception of New Year's Eve and premises within a Business Improvement District. The basis of the introduction of the Levy is to meet the costs of policing and other arrangements for the reduction or prevention of crime and disorder, in connection with the supply of alcohol. There is nothing inherent in any of the possible exemption categories which suggests that the alcohol supplied on such premises is any less likely to contribute to such crime and disorder.

c) If you have ticked one or more boxes above please give your reasons below?

Many premises which are not normally licensed to sell alcohol beyond 0000 or later will have permission for extended hours on New Year's Eve. All licensed premises which converted their old justice's on-licence will have grandfathered over a right to open until the commencement time for the sale of alcohol on New Year's Day. If a Levy exemption was not applied, such premises would face the choice of either paying the Levy for the benefit of one night's extended trading or varying their premises licence creating a significant administrative burden on them and the City of London's licensing team.

Quite apart from this consideration, New Year's Eve is one of the most significant public celebrations in the calendar and venues should be able to trade beyond midnight without paying a levy so that they can contribute to that celebration.

We refer to the benefits of partnership schemes in our response to question 1b. We note that there is no qualifying BID currently in the City of London but the availability of an exemption will be a strong encouragement to one being established. The effectiveness of BIDs in improving standards and reducing crime and disorder in the late night economy has been clearly shown in Birmingham's Broad Street and Nottingham.

Question 4

It is proposed that premises meeting the necessary "small business rate relief" criteria should not be entitled to a reduction in Levy.

a) Do you agree that such premises should not receive a reduction?

No

b) If not, please give your reasons below?

Please see our response to question 3b above.

Question 5

It is proposed that those premises meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% reduction in their Levy payment.

a) Do you agree that such premises should receive a 30% reduction?

Yes

b) Please give your reasons below

Anything which encourages participation in best practice schemes should be encouraged. These schemes are proven to deliver real improvements in the late night economy in a cost effective way. We support a full 30% reduction for premises which meet the requirements of the Safety Thirst Award Scheme.

We would recommend however that there is not too much prescription in the type of best practice scheme which would potentially attract a reduction. Certain types of scheme are more suited to certain types of premises and the wider the range of schemes which could attract a reduction then the greater the likelihood of those schemes gaining membership and momentum.

Question 6

It is proposed that the income raised from the Levy should be divided between the Local Authority and the City of London Police with 30% going to the local Authority and 70% to the Police.

a) Do you agree that the net revenue from the Levy should be split in this way?

Yes. Given that there is no binding requirement for the Police to spend its share in policing the late night economy in the proposed Levy area, we would prefer to see the licensing authority being given its maximum possible share.

Consideration should be given to the development of a joint programme which would pool the levy proceeds to maximise impact.

b) If not, please give your reasons for this and the split you feel would be more appropriate (Please remember that the Police cannot receive less than 70%)

N/A

Question 7

It is proposed that the income from the Levy received by the Local Authority will be spent in accordance with paragraphs 5.10 and 5.11 of this document.

a) Do you agree with the way in which the Licensing Authority will spend their portion of the levy?

No.

b) If not, please give your reasons below and any suggestions you have for ways in which the money can be spent (please remember that the money can only be spent on those areas described in paragraph 5.3 of this document)

We are concerned that the focus of the spending is either on administration or enforcement neither of which we consider likely to have sufficient practical impact nor to engage sufficiently the operators who will be paying the Levy. A much more creative means of applying the Levy proceeds should be developed and we advocate that a liaison group comprising of operators and authorities is set up to decide on spending priorities. This will develop a collaborative approach and allow the monies to be spent in ways most likely to see an improvement in the late night economy. This approach has been followed in Newcastle upon Tyne where a decision to introduce the Levy has already been taken and the first liaison meeting is to take place later this month. This might include street or taxi marshals or other measures to improve the public space and actually encourage peaceable visitors to the late night economy to everyone's benefit.

Question 8

a) Do you agree with the way in which the Police will spend their portion of the levy?

No.

b) If not, please give your reasons below giving examples where possible of how you think the money would be better spent.

Whilst we fully support a focus on operators who are not promoting the licensing objectives, the Police proposals for their share of the Levy proceeds seem unduly narrow. The levy proceeds, or at the very least a significant proportion, should be spent in a manner which benefits all operators who contribute to it in a much more imaginative fashion. This could involve the funding of participation in partnership schemes/initiatives which benefit the whole late night economy and drive standards up across the whole range of operators. Good operators should not see their money solely spent on enforcement action against poor ones.

Question 9

Have you any other comments to make regarding the introduction of a Late Night Levy?

We note that some of the criticisms of the previous consultation have, at least in part, been addressed in this consultation.

We note the attempt to outline the costs incurred in policing the period between 0000 and 0600 in the City of London area but the costs provided cover the period 2000 to 0630 and whilst there is an approximation of how much of those costs are incurred in the proposed supply period itself, there is no further breakdown to show when exactly those costs are incurred. Without this information it is difficult to assess when an appropriate supply period is.

We are also concerned that the evidence provided in the consultation as to existing crime figures merely presents two years' figures. This is an improvement on the original consultation but we consider it still impossible to assess any statistical trend. How can it be established if the figures are rising or falling especially in light of various initiatives such as the City of London Police's recently introduced traffic light scheme? The national figures for alcohol related violent crime are falling and it is essential in any consideration of whether an economically damaging Levy is required in the City to see the trends for similar crime in the area.

We strongly urge that further detailed consideration is given to the impact of the Levy on operators of licensed premises in the City and why, if the evidence establishes that there is a trend of rising alcohol related crime and disorder, a partnership based approach cannot be used to tackle it.

JD Wetherspoon PLC

8th April 2014

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2 April 2014

Our Ref: GBH/MXS/09856

Dear Sirs

Response to Consultation Questions as set out in the Consultation Document on the introduction of a Late Levy in the City of London

This firm acts on the behalf of the Grange Hotels Group and specifically within the City of London for the Grange St Pauls on Carter Lane and the Grange City in Coopers Row, the first of which lays adjacent to St Pauls Cathedral and the second laying adjacent to the Tower of London.

The Grange City Hotel is a five star hotel which incorporates the last remaining section of the London's roman wall as a main feature and houses 307 guest bedrooms and suites and includes several bars and restaurants within. It also includes very large ballrooms and meeting rooms with conference facilities and attracts many thousands of discerning guests each year. The Grange St Pauls is another luxury five star hotel adjacent to St Pauls Cathedral and contains 433 guest bedrooms with a similar array of bars and restaurants and a nightclub. It also includes very large meetings spaces and events areas and attracts thousands of discerning guests each year. The two hotels employ hundreds of people on their staff and obviously contributes substantially to the local economy both in supporting local businessman and also the payment of non-domestic rate. It's also significant elector in City Council Elections.

This letter is submitted as the Hotel's comments on the draft late night levy proposals set out in the City Council's consultation document. We will deal with each question in turn as follows:-

Question 1a – Do you agree that a Late Night Levy should be introduced in the City of London?

We would make all the same points which were made in our previous submission to the previous consultation in our letter dated the 5th September 2013.

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We do not agree with the implementation of any late night levy or tax in this regard.

Firstly, the Licensing Act 2003 provides that in making a decision as to the levy the licensing authority must consider:

- (a) 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 and
- (b) Having regard to these costs, the desirability of raising revenue to be applied in accordance with the late night levy provisions.

Since the last consultation document it is clear that the City of London were concerned about the porosity of evidence to support the police submissions in relation to the costs of policing the late night economy. The previous, rather spurious graph has now been omitted to be replaced with two tables which purport to set out the number of alcohol related crime that has taken place within the City of London during the last two years between midnight and 0600. It goes on to say that the figures in the two charts represent about 50% of the total number of alcohol related crimes that take place within the City of London.

In other words just under 50% is attributable to other hours of the day and it is submitted that given the almost 50/50 split between the so called "alcohol related crimes" between midnight and 0600 and those in the rest of day there is little justification for the imposition of a late levy on the basis of these figures alone. It is unclear why the City of London would seek to tax businesses in a difficult economic climate in relation to "alcohol related crime" occurring during the hours set out in the tables in the document when there is also equivalent number of "alcohol related crimes" occurring in the rest of the day. There is, therefore, no apparent dramatic leap in "alcohol related crimes" during the early hours of the morning compared with the rest of day.

Again, as in the previous document there is no attempt to discriminate between alcohol related crimes caused generally and those which are directly related to licenced premises. No figures are provided for the number of alcohol related crimes that occur inside domestic residences and which include violence within those residences. No figures are supplied as to the alcohol related crimes occurring in public places which are not attributable to licenced premises. Furthermore, it is not established that insofar as any crimes are related to licenced premises those premises were not outside the City of London rather than within its boundaries.

It is therefore submitted that of the 258 matters occurring in 2011/12 and 229 matters occurring in 2012/13 a significant number must be removed on the basis that not all of these figures are attributable to licenced premises. The City Council is again reminded that the licensing authority is required to consider 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 0600 in its area. There is no evidence whatsoever which relates these

figures to the supply of alcohol within licenced premises during the hours in question within the City of London. It is submitted, therefore, that the figures are meaningless and cannot act as the basis for the imposition of a levy or tax across nearly 300 businesses.

The figures contained within the two tables also represent a tiny proportion of the overall figures of crime reported within the City of London. For example, total recorded crime for just the month of February 2014 and January 2014 amounted to over 600 matters in each month. Over 1200 reports of crime in just two months. The figures set out in the tables refer to 487 matters in two years. Accordingly, there is more recorded crime in total in one month in the City of London than there is in all alcohol related crimes in the last two years from the police figures. This therefore represents a tiny fraction of the overall recorded levels of crime in the City. On average of about 600 reported crimes per month in the last two years there has been a total of 14,500 reported crimes compared to 480 alcohol related matters. This represents 0.03% of the total. The figures which are quoted are from the Police.UK Crime Mapping Analyses.

In terms of the income afforded to the police by the tax, it is submitted that the City of London police already benefits from a substantial budget as set out in its recent Annual Report for 2012/2013. This report states that the City of London police recedes at £109,400,000.00 in 2012/13 compared to £103,504,000.00 in 2011/12. Its expenditure of £109,400,000.00 is exactly matched by its income in the form of grants from the Home Office and the Police Authority as well as a combination of other grants and reimbursements.

In a time of financial restraints it appears that the City of London police income has risen from £103,000,000.00 to £109,000,000.00 and there is therefore no justification for suggesting that they now require an extra £155,000.00 or 0.0014% of the overall total.

The same principles relate to the income of the Corporation of London with over a £100,000,000.00 income.

Finally, the consultation document at paragraph 3.8 admits that crime numbers in the City of London are low compared to other areas.

Accordingly, the incomplete figures provided in the consultation document cannot act as the basis for the imposition of a tax on 300 businesses within the City of London.

Question 1(b) If not, please give your reasons below:

For all the reasons given above the late night levy is opposed. There is simply no reliable evidence upon which a reasonable council properly directing itself could come to a conclusion that there is a requirement for a tax on 300 businesses within its area when there is no link provided between the numbers of "alcohol related crimes" and those premises. No evidence is provided by the police for the numbers of alcohol related crimes occurring within domestic residences or on the streets which are not related to licenced premises within its

area. It is submitted that many alcohol related matters are connected to domestic incidents or alternatively to the sale of alcohol and off licences including supermarkets and possibly to licenced premises outside of the City of London. In any event there is a figure which would reduce those figures set out in the tables produced in the consultation document. Those figures as we have said above also represent a tiny proportion of the overall crime levels within the City of London.

It is also submitted that if there is indeed a problem associated with "alcohol related crimes" connected to licenced premises within the City of London then these can be addressed through business improvement districts where businesses work together to raise their own money to tackle issues and through the City of London's own "safety thirst" scheme which is successful.

As we have indicated before it is for the police service within the City of London with a substantial budget running into hundreds of millions of pounds to organise its priorities and allocate resources sensibly.

Question 2(a) Do you agree that if a levy was to be introduced it should not be between these times midnight to 0600?

It follows that if we suggest that there should be no late night levy within the City then we can agree with the proposed time periods set out in the question.

Furthermore as we have suggested above the figures presented are unreliable and uninformative and do not give an accurate portrayal of alcohol related crimes which relate directly to licenced premises within this City of London.

Furthermore, the paper does not seek to define what is it meant by "alcohol related crime". Does this mean that those crimes related to individuals who had consumed alcohol or can it also mean reported crimes which occurred within the vicinity of licenced premises and those licenced premises were used as a marker in order to identify the location of the crime. None of this is clear from the statistics produced by the police.

Accordingly no comment can be made upon the various hours in which it is said that there is a majority of alcohol related crime because of the aforesaid reasons.

Question 3(a) Do you agree that there should be no exemptions?

As our client is not in support of the late night levy then it follows that it would not wish to make any comments upon any exemptions. If a policy is adopted it would seem unfair to have exemptions particularly in the case of our client's hotel group where a hotel without a nightclub would not face the tax but one with a nightclub would be subject to the tax. Again, if there is to be a policy of exemptions then there would have to be clear evidence to suggest that those falling within the exempt category have no connection with the "alcohol related

crimes" those that fall outside the categories do have that link. As we have said above there is figure work or evidence to connect any of the alcohol related crime to any licenced premises.

Question 4

As our client is not in agreement with the levy then it would not seek to comment in detail on the small business rate relief scheme.

Again, it would seem unfair to penalise a large premises which has no alcohol related crime whatsoever whilst exempting from the tax, a small business which might be the source of significant alcohol related crime incidents.

Again, there is no evidence to support either contention.

Question 5

Our client does not agree with the imposition of the late night levy in the City of London and therefore cannot comment on whether there should be a 30% reduction in the levy payment for those meeting the requirements of the safety thirst award scheme.

If the City insists on imposing such a tax and it is clear to our client that those premises who are taking part in best bar none schemes or pub watch or business improvement districts should indeed be entitled to a reduction in a levy up to the maximum 30%.

Question 6

For the reasons given above, our client does not agree with the imposition of a levy and by implication is not agreeing with the allocation of resources to the police and to the local authority. The reasons for this are set out in the answer to question 1 above. Both organisations benefit from substantial income in excess of £100,000,000.00 per annum and it is not accepted that either organisation needs more money to police a problem that has not been proven on the face of the consultation document.

Question 7

For the reasons given above the levy is opposed and the allocation of monies for such a levy are also opposed.

In making a decision as to the levy the licensing authority must consider the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the supply of alcohol and not public nuisance. The council's proposals seem to indicate that the allocation of money would be directed toward the employment of an officer to deal with noise nuisance in the evenings. Whilst the allocation of its share of the resources to a licensing authority maybe spent on matters involving public nuisance under the Late Night Levy (application administration) Regulations 2012 it is submitted that a more proper use

would be focused on crime and disorder which is the very reason why the levy would have been raised in the first place. Hence the reason for all the police crime figures contained within the consultation document.

To the extent that the licensing authority seeks to allocate its share of the proceeds to issues around public nuisance it is suggested that there is already schemes within the City Council area which contribute to this objective namely – “safety thirst”. The council should already have allocated reasonable resources to this project from its great levy in any event. As pointed out above the council receives an income of over £100,000,000.00 a year.

Question 8

It follows that if we do not agree with the imposition of a levy then we do not agree with the way in which the police will spend their portion of the levy.

In our respectful submission the evidence produced in the consultation document indicates no link between licenced premises within the Corporation of London and the perceived problem of “alcohol related crime”. Given that there is no evidence to establish that licenced premises are in the main the cause of alcohol related crime, it is submitted that there is no necessity for the funding of three additional police officers to this task. Officer time could be better spent and in reducing the on average 600 reported crimes per month within the corporation’s area related to anti-social behaviour, bicycle theft, burglary, crime damage and arson, drugs, thefts, possession of weapons, public order, robbery, shoplifting, theft from a person, vehicle crime and violence and sexual offences. For this the police budget is £104,000,000.00 per annum.

Question 9

We would invite the corporation to consider all the answers given above to the various questions and would suggest in conclusion that there is no requirement for a late night tax in this area imposed on 300 local businesses during a period of economic hardship and difficulty. It is out of all proportion to the rather questionable figures produced by the police in this respect. Those figures show about 500 so called “alcohol related crimes” in 24 months when there are on average 600 crime types reported every month in the City of London. Furthermore, the City of London police are in receipt of a substantial budgetary income of £104,000,000.00 per annum.

Finally, we sight the words used by Philip Colvin QC in his recent book “Licenced Premises: Law Practice and Policy” where he concludes unequivocally the follow:

“In most cases, the introduction of the levy will be an unnecessary, unfair, unprofitable and disproportionate bureaucratic intervention. There is little that the levy can achieve which is not obtainable by more effective and economic means.”

We would agree with those sentiments and concentrate particularly on the disproportionate element of Mr Colvin’s conclusion. If there are a few problem premises in the City of

London, which undoubtedly there are, then these may be dealt with through the existing licensing regime by way of intervention and review. It is, however, unfair to penalise the vast majority of the 300 businesses which act fully in accordance with the law and are not responsible for the alcohol related crimes reported.

Our client does not believe that a further tax on hard pressed businesses during an economic downturn such as the one we are experiencing is an inappropriate way forward. The extra taxation imposed on the 300 businesses all with licences after midnight will have a considerable impact upon all of those trading concerns. It should be remembered that the vast majority of those operating are very small businesses. This is not, therefore, a minor cost to business. It is many times the cost of premises licence to many of the businesses and it should always be remembered that all of these businesses particularly as large as our own clients contribute significantly through business rates to central government which eventually reverts back to the Corporation of London. The hotel also pays large sums in terms of security and other measures designed to ensure that the running the licenced premises does not conflict with the four licensing objectives.

Yours faithfully

Jeffrey Green Russell Limited

JEFFREY GREEN RUSSELL LIMITED

RESPONSE TO CITY OF LONDON CORPORATION LATE NIGHT LEVY
CONSULTATION QUESTIONNAIRE (April 2014)

NAME : JOHN GAUNT & PARTNERS ON BEHALF OF MARSTON'S PLC

ADDRESS : OMEGA COURT 372 – 374 CEMETERY ROAD SHEFFIELD S11 8FT

Introduction to the Revised Consultation on the Introduction of a Late Night Levy

The City of London has re-issued its consultation on the introduction of a late night levy but has chosen not to disclose the reason for the decision to consult again and makes no reference to the responses received. The Licensing Committee were due to receive the “analysed result of the recent consultation to the next Committee Meeting in February”. The agenda for that meeting did not contain reference to any such analysis, nor was there any reference in the minutes of the meeting.¹

The revised consultation appears to be an attempt in some instances at least to re-butt the evidence and arguments put forward by the respondents to the consultation “a majority of which were from licensed premises”¹ (76 responses were received). This is not an opportunity afforded to those respondents.

We note the qualification given to any answer of ‘No’ in Question 1. It cannot be right that any further comment on the levy is to be disregarded if the respondent maintains his opposition to the levy. The levy is a complicated instrument and the response will vary in accordance to the decisions that might be made to various aspects of the levy. For instance a hotel operator may be opposed to the levy because as currently proposed the hotel operator has to pay the levy. If that were to change to exclude hotels the hotel operator may well revise his opinion.

Similarly being opposed to the levy should not preclude perfectly valid comments as to the time limits for such a levy were it to be introduced and other similar questions.

The police now acknowledge that “compared to other areas, crime numbers are low” but go on to say that “it is the duty of the City Police to identify appropriate areas to respond and fund those in any way that it can.” This is surely a spurious argument which ignores the efforts of the late night businesses to operate good businesses and co-operate in reducing

¹ 21 October 2013 Minutes of the meeting of the Licensing Committee held at the Guildhall EC2 at 1.45pm

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crime. It ignores the rights of those businesses whose only reward is to be asked to pay more.

The consultation makes the statement that “Although the number of alcohol related crimes have decreased in the last two years, there remains a significant number occurring between midnight and six in the morning.” The figures quoted for the year ended 31st October records a total of 48 offences between midnight and 6am, less than one a week and there is no evidence presented that these are all related to late night premises. Local community consultation undertaken by the police identify rough sleeping as the chief priority for the police, three out of four priorities being identified as such.²

We believe that the consultation is flawed and undemocratic in the way that it has been represented in this way and that no reference has been made to the prior consultation. Respondents have not even received an apology for the time and effort that has now to be put into making what is in effect a new response, since the form and nature of some of the questions have changed.

² <http://www.police.uk/city-of-london/cp/priorities/> (January 2014)

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Question 1

It is proposed that a Late Night Levy be introduced in the City of London in order to assist in the funding of the reduction and prevention of crime and disorder in connection with the late night supply of alcohol.

a) Do you agree that a late night levy should be introduced in the City of London? Yes/No

b) If not please give your reasons below?

(n.b. If you answer 'No' to this question, any further answers will only be taken into consideration if a Levy is introduced. Your opposition to the introduction of a Levy will still be noted and be of prime consideration in any decision made)

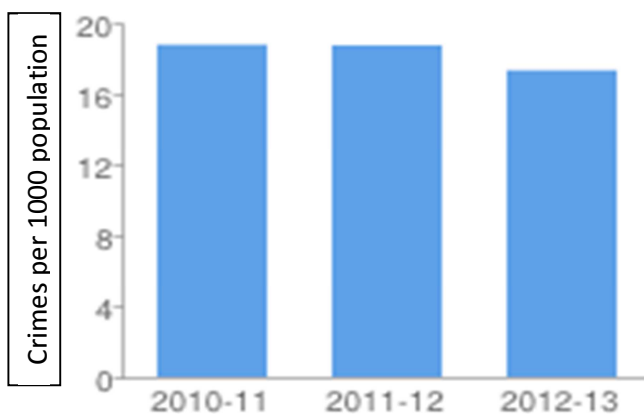
We do not agree and can see no basis on which we and others operating late at night should pay additionally for police services which are already provided.

As a responsible operator with premises in the City of London and throughout the UK we are fundamentally opposed to paying a levy to be able to continue trading with the hours that have been granted to our venues and to which no blame has been attached.

Marston's PLC operates The Rack and Tenter, the Pitcher & Piano, both of which have been granted late

night hours with permission to sell alcohol until 2am. In addition Marston's also operates, The Cockpit and The Pavilion End, public houses that do not serve alcohol beyond 11pm and midnight respectively but which would nevertheless be influenced if the late night economy of the City of London was to be adversely affected by the introduction of a levy. The consultation now acknowledges that the incidence of crime has fallen in the City of London as can be seen from the crime figures published both by the police

themselves³ and by the independent evaluation website CrimeStatsUK⁴



Independent information on force-level crime and anti-social behaviour provided by Her Majesty's Inspectorate of Constabulary shows that crime in the City of London "remained broadly stable between

³ <http://www.police.uk/city-of-london/cp/performance>

⁴ <http://www.ukcrimestats.com/>

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the years ending March 2011 and March 2012, and fell between the years ending March 2012 and March 2013. In the last year, crime was below the national average.”⁵

This is borne out in the monthly figures published by CrimeStatsUK⁶ shown below. ASB and Violent Crime which most closely reflect crimes that might be expected to arise in the Night Time Economy both show significant reductions over the last two and half years.

Crime in City of London Corporation

	ASB	Burglary	Robbery	Vehicle	Violent	Other Total	Total
Apr 2013	36	20	0	11	31	162	260
Mar 2013	35	4	3	8	28	184	262
Feb 2013	22	12	4	16	29	156	239
Jan 2013	34	25	3	11	21	208	302
Dec 2012	58	19	1	12	32	157	279
Nov 2012	43	14	3	7	28	159	254
Oct 2012	52	18	3	11	32	193	309
Sep 2012	63	12	4	5	24	186	294
Aug 2012	60	9	1	7	26	181	284
Jul 2012	81	36	2	15	35	219	388
Jun 2012	53	26	2	21	23	180	305
May 2012	59	19	1	8	26	185	298
Apr 2012	40	18	1	7	22	176	264
Mar 2012	55	8	1	16	25	201	306
Feb 2012	43	10	3	8	30	186	280
Jan 2012	51	17	2	5	25	137	237
Dec 2011	32	5	0	3	18	93	151
Nov 2011	141	17	3	11	55	343	570
Oct 2011	126	18	4	7	29	290	474
Sep 2011	129	25	2	13	46	396	611
Aug 2011	109	31	2	13	62	357	574
Jul 2011	169	27	5	10	62	380	653

⁵ <http://www.police.uk/overview/?q=City+of+London%2C+Greater+London%2C+UK>

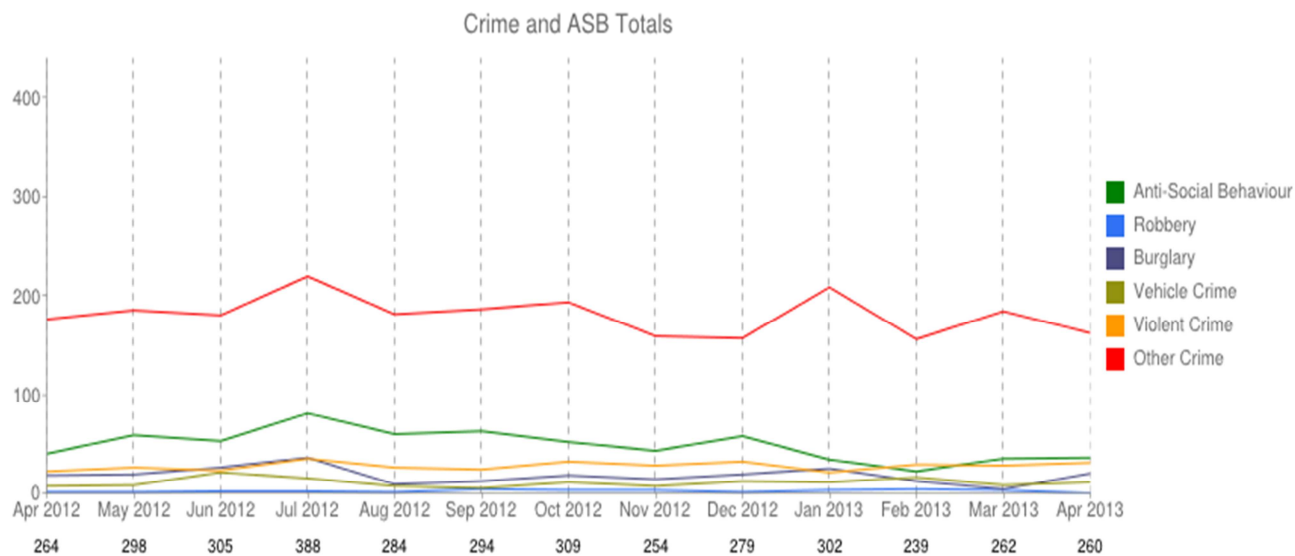
⁶ <http://www.ukcrimestats.com/Subdivisions/LBO/2512/>

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	ASB	Burglary	Robbery	Vehicle	Violent	Other Total	Total
Jun 2011	131	31	3	23	46	435	669
May 2011	160	26	5	16	53	384	644
Apr 2011	139	28	4	15	41	353	580
Mar 2011	130	14	3	19	60	436	662
Feb 2011	125	15	4	19	55	324	542
Jan 2011	121	14	1	20	64	342	562
Dec 2010	137	8	4	14	52	315	530

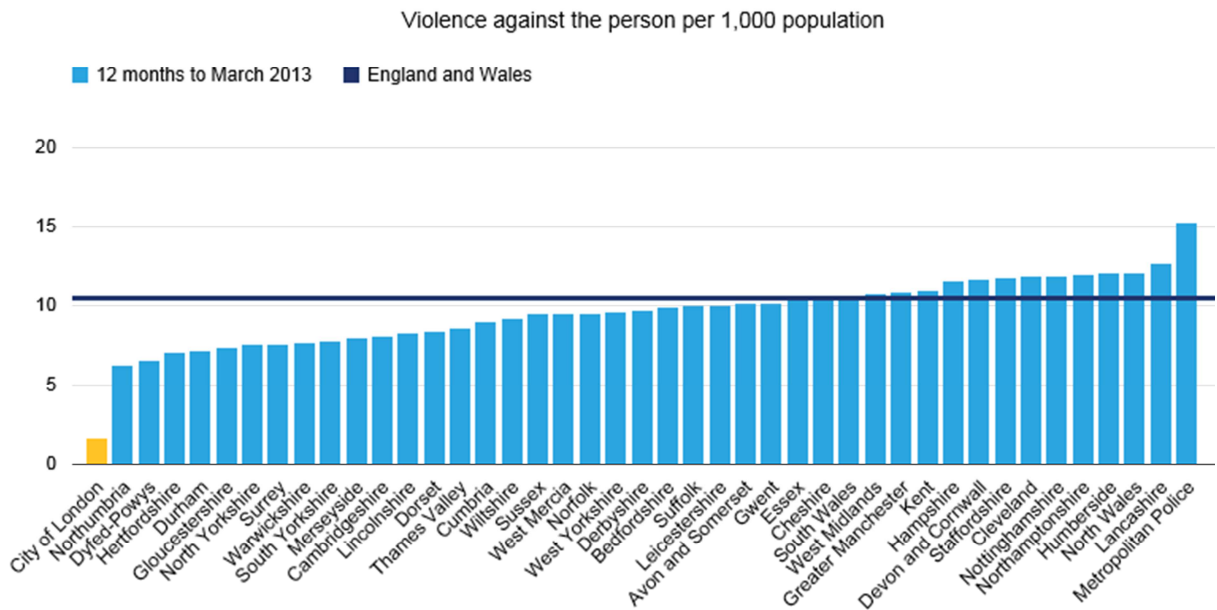
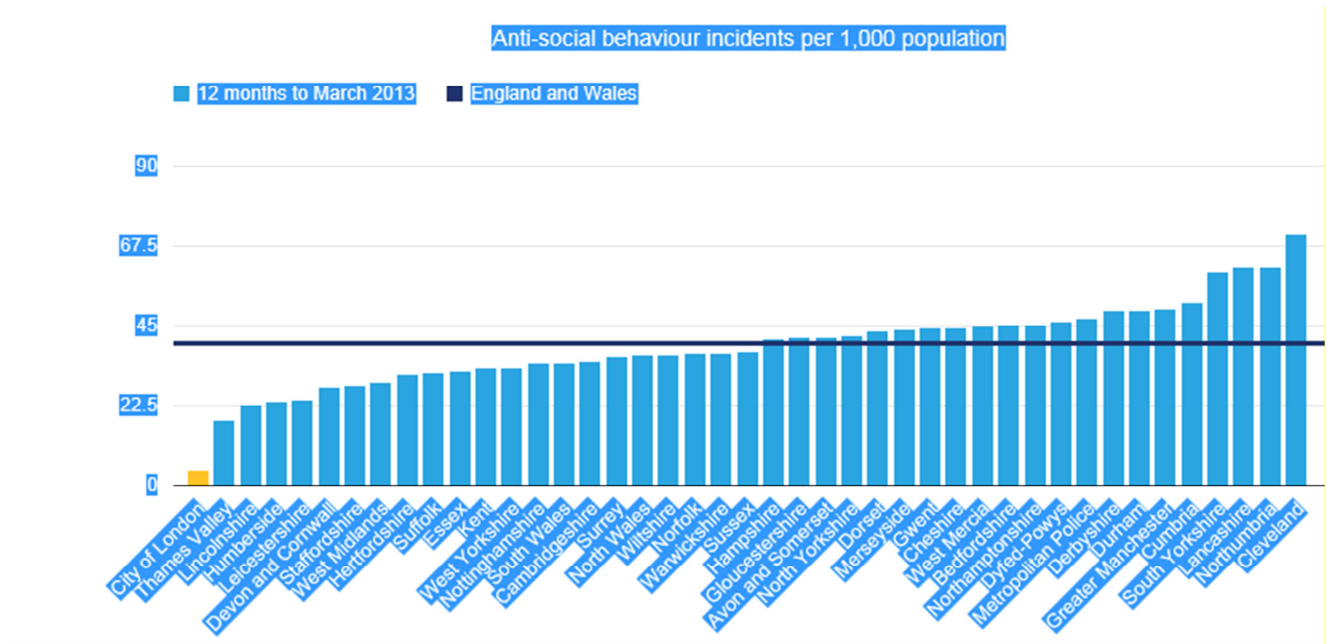
More recently published figures show that total crime had fallen from 260 in April 2013 to 236 in January 2014 with ASB falling from 36 to 23 in the same period.

These figures are shown graphically below:



Police figures also indicate that both in anti-social behaviour and violent crime the City of London has the lowest levels per head of population this despite having a low resident population of only 8,400 people, albeit supplemented by over 300,000 commuters and visitors each day, who are surely responsible for some of the crime committed.

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None of these figures indicate a serious or growing problem, quite the opposite making the case for increased funding much more unsustainable.

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More recent figures from the City of London Community Policing website⁷ report that the number of crimes in the City during January 2014 was 619 down from 696 in the previous January 2013, a reduction of some 11%.

The Licensing Authority itself does not seem to have any difficulty in granting later licences. If policing and general levels of disorder were a serious concern we would question why the Council has granted later hours to a number of venues over the last twelve months or so. These include the following:

REVOLUTION extended from 3am to 4am on Saturday nights; AMBER, CITY POINT from 2am to 4am; and COS BAR from 1am to 3am and a new application from Punch Taverns for BIRD OF SMITHFIELD which was granted 3am on Friday & Saturday nights and 2am the rest of the week.

This does not sound like an area that is having a problem with the policing of the evening economy. No serious objections appear to have been raised against any of these applications including the police.

This view is supported by the City of London Corporation Safer City Partnership who maintain that

“the City remains a safe place in which to live, visit and do business, is a source of great pride to those of us charged with its safety and wellbeing.”⁸

Question 2

It is proposed that the Levy should be introduced for those premises who supply alcohol between the hours of midnight and 6 a.m.

a) Do you agree that if a levy was to be introduced it should operate between these times? Yes/No

b) If not, during what time period do you think the levy should operate and why?

- 1am – 6am
 2am – 6am

Any other time span (please state which time span) _____

Reasons for your choice of time period:

⁷ <http://www.police.uk/city-of-london/cp/>

⁸ <http://www.cityoflondon.police.uk/CityPolice/CommunityPolicing/About/SaferCityPartnership/#sthash.uanGYys6.dpuf>

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Since Marstons are opposed to the introduction of a levy it is placed in a difficult position in respect of the question of the charging period. The police evidence on the crime statistics does not provide the absolute number of offences but presents the data in terms of the percentage of alcohol related crimes throughout the day.

Data from CrimeStatsUK quoted under Question 1 on violent crime shows that in the 12 months to April 2013 there were 335 violent crimes in the City of London Corporation area and 634 in the area covered by the City of London Police Force. The police evidence presented in the consultation states that just over 50% of these are alcohol related which halves these figures to around 160 and 320 per year or less than one a day over the whole police force area. There is clearly a need for a more detailed examination of the figures used to justify the intervention of a levy.

Question 3

It is proposed that no premises should be exempted from paying the Levy.

a) Do you agree that there should be no exemptions? Yes/No

b) If not, which of the following types of premises do you think should be exempted from paying the levy? (mark each one you think should be exempted).

- | | |
|---------------------------------------|-------------------------------------|
| Overnight Accommodation | <input checked="" type="checkbox"/> |
| Theatres & Cinemas | <input type="checkbox"/> |
| Bingo Halls | <input type="checkbox"/> |
| Community Amateur Sports Clubs | <input type="checkbox"/> |
| Community Premises | <input type="checkbox"/> |
| New Year's Eve | <input checked="" type="checkbox"/> |
| Business Improvement Districts | <input checked="" type="checkbox"/> |
| No Exemptions | <input type="checkbox"/> |

c) If you have ticked one or more of the boxes above please give your reasons below.

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Overnight Accommodation

The Government enabled Licensing Authorities to apply the exemption to hotels on the grounds that only bona fide residents would be exempt and that hotel bars would have to exclude members of the public at the times the levy applies to qualify for the exemption. We agree with this and would like to stress the importance of the hotel sector to the financial health of the City which provides facilities to both employers for business visitors and tourists which are vital to the economy as a whole. We can see no good reason to apply the levy to hotels.

New Year's Eve

The introduction of a general relaxation of opening hours over New Year's Eve has generally been recognised as a success and is a one off occasion that may be used by result in many businesses that are not open beyond midnight at any other time of the year. Those premises which retained the ability to open through new Year's Eve on the granting of 'grandfather rights' during transition to the new licensing Act would become caught up in a levy if the exemption were not granted. The Government recognised this through its concession to a non-fee paying application to remove the permission. They could then instead apply for a Temporary Event Notice (TEN) to restore the late opening for New Year's Eve, which rather defeats the extension of the late night n]levy to such premises.

Those premises that more generally trade later may also chose to reduce their hours, particularly if they don't actually trade that often into the early hours. Apart from reducing the amount the levy would raise this would almost certainly increase the reliance on TENs by those businesses.

A refusal to allow this exemption would result in the generation of a large number of Temporary Event Notices, resulting in extra work for the Council and police.

Business Improvement Districts

BIDs are an excellent way of improving city centres and other areas and should be encouraged. The Government permitted the exclusion of premises within a BID for the very good reason that they are worthy of support. There is every reason to believe that businesses within a BID area that are not exempted will not repeat their support of a BID in a subsequent ballot.

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While the City of London does not yet have a BID in place it should not exclude the possibility of providing an exemption for any future BID. We would also urge the Council to look at the benefits of the introduction of a BID and to consider the introduction of one before it introduces a levy. Experience in places such as Nottingham and Birmingham has demonstrated the beneficial effects of BIDS particularly in reducing crime in the Night Time Economy.

The Council's rationale for not applying any exemptions simply does not bear examination. There is clearly a difference in the size, scope and nature of the businesses liable to be included in a level. A late night club is quite obviously a different attraction from a hotel guest seeking a nightcap. Further it is far from the truth to assert that the council's "approach creates a level playing field for all affected premises". Those premises would strongly against and the contention that it "keeps administrative burdens and costs to a minimum" may be true for the Council it should not for businesses to pay higher charges simply for the convenience of the Council.

Question 4

It is proposed that premises meeting the necessary 'small business rate relief' criteria should not be entitled to a reduction in Levy.

a) Do you agree that such premises should not receive a reduction? Yes/No

b) If not, please give your reasons below?

We rather doubt that there are any businesses that qualify within the City of London but if there are the Council should apply the exemption. A business with a rateable value of £12,000 in the City of London or less will be selling little very alcohol. The council figures show that there are only 7 premises in Band A that would fall under the exemption. There are only a further 16 premises that come under Band B having a rateable value up to £33,000. Assuming that half of these have a rateable value below under the £12,000, that would still only leave 15 exempted premises out of the 747 identified by the Council. The regulations allow for exemption for premise up to a rateable value of £12,000 for a good reason and the Council should re-consider its position on this.

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Question 5

It is proposed that those premises meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% reduction in their Levy payment.

a) Do you agree that such premises should receive a 30% reduction? Yes/No

b) Please give your reasons below

While we agree that the inclusion of Thirst Award Scheme in the entitlement to a 30% reduction we also urge the council to look at schemes more in the terms expressed by its own Licensing Committee who said when considering both EMROs and the Late Night Levy in October 2012:

“There are other wider considerations which may also be taken into account such as: the economic effects of the levy on operators, City Police’s own capacity to fund crime prevention, the effect of the levy on voluntary schemes for reducing crime and disorder (Safety Thirst), whether there are any alternative means to reduce crime and disorder such as a Business Crime Reduction Partnership, and the equitability of changing the burden to operators rather than the community. These options would be addressed in any further detailed report on this issue.”

That the Council now considers Safety Thirst as qualifying for an exemption, a provision not made in the earlier consultation, is to be welcomed but we are bound to observe that the introduction of a levy will attack the very heart of the voluntary scheme and that despite attracting the reduction, businesses will be reluctant to participate. If they do continue to participate they may do so for the wrong reason.

The consultation makes no mention of Pubwatch. There are number of Pubwatch schemes within the City and we firmly believe that these best practice schemes are worthy of a discount and to deny them this facility may well prove counter-productive. The police and the Corporation both benefit from good partnership working and to refuse the discount would demonstrate bad faith to those schemes that are keen to work in partnership.

Pubwatch qualifies as a good practice schemes under the regulations.⁹ We urge the council to consider their inclusion in the 30% allowable reduction category, if the levy is adopted.

In its publication “Calling Last Orders”¹⁰ the City of London Police pledge to “Work with partners, community, stakeholders and businesses to reduce precursory issues that lead to violence and related offences. We will listen to their concerns and respond appropriately.” The introduction of a levy will make this task more difficult and a refusal to allow the discount can only exacerbate that and lead to a deterioration in the willingness to collaborate.

⁹

¹⁰ <http://www.cityoflondon.police.uk/NR/rdonlyres/CEF41A93-19FA-41BA-A90B-1258B48B75E5/0/LastOrdersV2.pdf>

RESPONSE TO CITY OF LONDON CORPORATION LATE NIGHT LEVY CONSULTATION QUESTIONNAIRE (April 2014)

The Council should also ensure that it has the ability to provide any future BID with the same discount if exemption is not granted to that BID, thereby removing the need for a separate consultation.

Question 6

It is proposed that the income raised from the Levy should be divided between the Local Authority and the City of London Police with 30% going to the Local Authority and 70% to the Police.

a) Do you agree that the net revenue from the levy should be split in this way? Yes/No

b) If not, please give your reasons for this and the split you feel would be more appropriate (Please remember that the Police cannot receive less than 70%).

Question 7

It is proposed that that income from the Levy received by the Local Authority will be spent in accordance with paragraphs 5.10 and 5.11 of this document.

a) Do you agree with the way in which the Local Authority will spend their portion of the levy. Yes/No

b) If not, please give your reasons below and any suggestions you have for ways in which the money can be spent (please remember that the money can only be spent on those areas described in paragraph 5.3 of this document.)

Again the proper answer to the question is not a simple yes or no. We are disappointed that the Council has not been more imaginative in use of the potential income raised by a levy. The emphasis again is on enforcement against premises, the vast majority of whom take great pains to comply with the law, since their livelihood and continues existence depends upon it. With crime figures falling there has been no recognition that responsible operators have played in contributing to that fall. The industry has engaged in and promoted many good practice schemes from pubwatches, through Best Bar None, Challenge 21 and so forth.

We seriously question whether the council will be able to deliver its programme when the council's estimate of the amount of its share is £66,668 when the two identified costs of £57,000 (additional post) and £23,000 (night time response) amount to £70,000. The estimate appears to exclude the cost of the 'team of officers to work during the midnight and 6am' the additional post being =created to operate the Code of Practice and Risk Assessment scheme.

RESPONSE TO CITY OF LONDON CORPORATION LATE NIGHT LEVY CONSULTATION QUESTIONNAIRE (April 2014)

The Council assumes that the levy will not affect businesses or the decisions they make. This is not true and is demonstrated by the Council's own assessment that 30% will most likely reduce their permissions to trade to avoid the levy. At the same time the amount raised for the council is assessed at only £66,668, not a particularly significant sum and one that is likely to be diminished further if the £15,000 allocated for administration proves an under-estimate.

Question 8

a) Do you agree with the way in which the Police will spend their portion of the Levy? Yes/ No

b) If not, please give your reasons below giving examples where possible of how you think the money would be better spent.

The consultation reports that the police have now identified the funding of three additional officers but do not attribute a cost to that, leaving the question as to whether they are funding full-time posts. The only specific cost identified is that of that to cover the police costs associated with the discharge of their responsibilities under the Act, including dealing with Temporary Event Notices. This is an entirely inappropriate use of the funds provided under the terms of the levy. The Licensing Act, 2003 did not provide funding to the police for discharging its duties under the Act and little of this identified cost would be incurred by the businesses covered by the levy, since they would have little need of TENs.

The police bid for funding appears to rely primarily on the fact they have not discharged their duty in the past if "problem" premises have been identified but have not been dealt with.

We are extremely disappointed and concerned that the police cannot see any better way to allocate additional funds to activity that is already covered and are not looking to tackle one of the root causes of any crime and that is the individuals themselves. The arguments put by Government for the introduction of the levy and Early Morning Restrictions under the Police Reform & Social Responsibility Act 2011 was that there were needed where there were problems despite the presence of well-run businesses. The action proposed by the police should already have been taken against businesses that do not comply. There would be more sympathy for levy if the resources were directed at irresponsible and criminal individuals. There is no suggestion that any additional policing is being placed in this direction.

Paragraph 5.9 of the consultation states that the police would "allow the Licensing Team to further its partnership working" identifying those partners which do NOT include the trade. This is a fundamental oversight indicative of the failure of the police to properly engage businesses in the partnership. On this basis alone we object to the imposition of a levy. The police must learn to work in partnership with business. The Code of Practice or any other initiative has little chance of success without that understanding.

RESPONSE TO CITY OF LONDON CORPORATION LATE NIGHT LEVY CONSULTATION QUESTIONNAIRE (April 2014)

Question 9

Have you any other comments to make regarding the introduction of a Late Night Levy?

We are disappointed that the Council has not seen to enter into any prior discussion with the businesses directly affected by the proposal. We note that the Council has withdrawn its statement from the revised consultation that “it is the view of the licensing authority that a levy should be introduced in order to contribute to the costs of policing the late night economy”, we are worried by the thought that this remains the view of the Council and that the outcome of the consultation has been pre-determined.

We remain disappointed that the undertaking that “Officers would bring the analysed result of the recent consultation to the next Committee Meeting in February”¹¹ has not been honoured and that the Licensing Committee did not get the opportunity to see those responses. Nor does the Committee appear to have any influence as to the need for or form of the revised consultation.

The Council has not sought to make any assessment of the economic effect on the businesses concerned nor the activity within the night time economy that might be reduced. The City is a big draw for businesses and tourists alike and withdrawal of some of the venues from the market late at night might affect the attraction of the City as a place of entertainment.

The police have not made a case for the levy either in terms of the crime rate, or of their funding needs and the levy looks like what it is, a way of raising additional money. At best the money raised will go towards more enforcement activity on venues rather than on individuals where we believe any such additional funding would have the most beneficial effect.

In its report of the Licensing Committee’s meeting on the 22nd October of last year (2012) the committee determined (Paragraph 15) that

“There are other wider considerations which may also be taken into account such as: the economic effects of the levy on operators, City Police’s own capacity to fund crime prevention, the effect of the levy on voluntary schemes for reducing crime and disorder (Safety Thirst), whether there are any alternative means to reduce crime and disorder such as a Business Crime Reduction Partnership, and the equitability of changing the burden to operators rather than the community. These options would be addressed in any further detailed report on this issue.”

We can find no evidence that any such investigations have been carried out and that contrary to the Committee’s wish that these other concerns be addressed the City of London have proceeded on the basis of the Corporation’s officials which is reported in Paragraph 22 of the same meeting which states that:

¹¹ 21 October 2013 - Minutes of the meeting of the Licensing Committee held at the Guildhall EC2.

RESPONSE TO CITY OF LONDON CORPORATION LATE NIGHT LEVY CONSULTATION QUESTIONNAIRE (April 2014)

We believe that the consultation is seriously flawed in both the evidence it presents and the reasoning, such as it is, neither of which justify the introduction of a levy. The Council should rather be encouraging a productive dialogue between businesses, police and itself taking a partnership approach to improving the social amenities for the residents and visitors to the City. Without such an approach we are firmly of the opinion that the levy will not only do little or nothing to address anti-social; behaviour and other alcohol-related crime but runs the real risk of producing counter-intuitive results leading to a worsening of the situation and alienation of those businesses operating in the area who are best placed to help.

We urge the Council to re-consider its proposal.

Thank you for completing this questionnaire. Could you please indicate below the capacity in which you are making your comments?

- Licensed Premises (with licence to sell alcohol after Mid-night)
- Licensed Premises (with licence to sell alcohol no later than Mid-night)
- Non-Licensed Business (no licence to sell alcohol)
- Resident
- Alderman or Common Councilman

- Other (please state)

We are happy to accept the consultation questionnaire anonymously but if you would like to tell us who you are then please complete your details below:

Name: **John Gaunt & Partners:** Omega Court, 372-374 Cemetery Road ,Sheffield S11 8FT
Email: info@john-gaunt.co.uk

Organisation you represent (if relevant): **Marstons PLC**

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City of London

Consultation on the Proposal to Introduce a Late Night Levy

Response from Punch Taverns plc.



Punch Taverns is one of the UK's largest leased pub companies with a portfolio of around 4,000 leased pubs nationwide, ranging from pub restaurants to traditional drink led locals. Our aim is to become the UK's highest quality, most trusted and best value leased Pub Company. Our premises are operated by thousands of enterprising individuals – who we call our Partners - who are running their own pub businesses in our premises.

In 2005 we took the decision to hold the premises licence for our estate. Although we do not undertake licensable activities in our leased pubs, the holding of the premises licence imposes upon our business a significant obligation in terms of licensing regulation and compliance.

Corporate Social Responsibility (CSR) is embedded across many elements of our business, from corporate fundraising to responsible retailing. We have dedicated teams in place to assist in ensuring that our premises operate to the highest standards.

As Portman Group signatories and supporters of Drinkaware we do not condone irresponsible promotions and pricing of alcohol, and we have actively supported the 'Why let good times go bad?' campaign to tackle excessive drinking amongst 18 to 25 year olds.

Responsible retailing forms a key part of our partner training, and in the last eighteen months many of our Partners have completed our responsible retailing training. We also provide Risk Management manuals to our partners, which give clear guidance on current legislation and best practice, backed up by the support of our Risk and Compliance Teams, who provide specialist advice and guidance. We also support the BBPA's Customer Unit Awareness Campaign, part of the Association's contribution to the Government's Alcohol Responsibility Deal by making information and publicity available to our partners.

To further support our partners, we launched "The Punch Buying Club" offering our partners an online 24/7 service allowing partners to access all possible assistance to help run their business, this includes online training, regional workshops, legislative updates and best practice messages, Risk Management material such as mandatory signage and many other such materials.

All of our Partner Development Managers (PDM's) are trained to a minimum of BII level 4 in Multiple Retail Management, which consists of eight modules including communication, negotiating, business knowledge and marketing. We believe a well-trained, talented and high performing team will help our partners reach their potential and ensure their premises are well run.

We also have a number of other specialist employees to ensure that our partners are provided with the best knowledge throughout their relationship with Punch Taverns; our recently appointed New Business Development Managers (NBDM) are in place to provide our partners with up-weighted assistance and support for all newly launched businesses during their first six months of trading. This provides a platform for success and ensures they understand everything for running a safe, legal and compliant business

We believe that Punch Taverns is in a uniquely qualified position to make a valuable submission as, not only do our circa 4,000 premises cover every local authority area in England and Wales, but we also have significant experience and knowledge of the Licensing Act 2003, the Police Reform and Social Responsibility Act 2011 and associated relevant legislation.

We fully support the view that premises should be well run and promote the four licensing objectives. We do not however, support the view that those premises or indeed any premises should be obliged to pay a levy in addition to licensing fees, business rates and general taxation. The Licensing Act 2003 and associated relevant legislation contain sufficient safeguards and means of dealing with premises that cause or contribute to crime and disorder.

Furthermore, with the publication of the Home Office consultation on fees under the Licensing Act 2003, the proposal could potential see general licensing costs increase in the lowest band pubs. This could see licensed premises annual fees increase by 957% if the maximum is applied. It has been stated by Government that small businesses are at the heart of the economic recovery and are key in creating jobs in the community, and as such are committed to supporting them as far as possible such as cutting taxes, removing red tape and improving the small business infrastructure. We are strongly of the view that Local Authorities trying to implement a levy are penalising small and medium sized responsible premises who have the permission to trade into the levy supply period at a time of economic difficulty. Placing further financial burdens on already struggling businesses will only inhibit economic growth in the community.

It should not be forgotten that many premises that are permitted to supply alcohol beyond 00:01 will have conditions on their premises licences requiring the employment of door staff, the installation and use of a CCTV system and other such conditions, which result in a one off or on-going cost to the premises in terms of compliance. These premises, if the late night levy is adopted, will have to, in addition to bearing the expense of the foregoing, pay the levy (if they do not want to reduce the hours for which they are currently legally entitled to supply alcohol).

Whilst it is no doubt the case that the budgets of both the Police and the Authority are under pressure, licensed premises pay their annual licensing renewal fee, their business rates and other taxes. Licensed premises being required to pay another tax would be most unwelcome. For some businesses the late night levy will simply be unaffordable. It is quite likely the case that very many licensed premises that trade during the proposed late night levy supply period, will be required by conditions on their premises licences to incur expense regarding the installation and operation of CCTV systems, the employment of SIA registered door staff, the use of polycarbonate containers, etc. These conditions would have been imposed to promote the licensing objective of the prevention of crime and disorder. To be required to incur the expense of compliance with conditions and in addition to pay the late night levy when the likelihood of there being additional policing or other arrangements is most unwelcome to say the least.



CITY OF LONDON CORPORATION
LATE NIGHT LEVY
CONSULTATION QUESTIONNAIRE

Question 1

It is proposed that a Late Night Levy be introduced in the City of London in order to assist in the funding of the reduction and prevention of crime and disorder in connection with the late night supply of alcohol.

a) Do you agree that a late night levy should be introduced in the City of London?

No

b) If not please give your reasons below?

Fees are already raised through ordinary taxation, business rates, licence fee etc. It is inherently unfair to seek to raise funds from a 'class' of premises based simply on their legal right to trade during a specified period. It is also premature to consult on a late night levy when the entire fee structure for licensing is under review and may be changed substantially and in ways that conflict or have an element of 'double taxation' when considered next to the Late Night Levy.

Question 2

It is proposed that the Levy should be introduced for those premises who supply alcohol between the hours of midnight and 6 a.m.

a) Do you agree that if a levy was to be introduced it should operate between these times?

No

b) If not, during what time period do you think the levy should operate and why?

- | | | |
|---------------------|--------------------------|--------------------------------|
| 1am – 6am | <input type="checkbox"/> | |
| 2am – 6am | x | |
| Any other time span | <input type="text"/> | (please state which time span) |

Reasons for your choice of time period:

There can only really be a true distinction between premises that operate solely as late night venues and premises that trade into a late night period. For fairness, the levy period should be set in such a way as to ensure that it catches only those premises that trade solely late at night. 2am is a reasonable time to make this distinction.

Question 3

It is proposed that no premises should be exempted from paying the Levy.

a) Do you agree that there should be no exemptions?

No

b) If not, which of the following types of premises do you think should be exempted from paying the levy? (Mark each one you think should be exempted).

- | | |
|--------------------------------|--------------------------|
| Overnight Accommodation | x |
| Theatres & Cinemas | x |
| Bingo Halls | x |
| Community Amateur Sports Clubs | <input type="checkbox"/> |
| Community Premises | <input type="checkbox"/> |
| New Year's Eve | x |
| Business Improvement Districts | <input type="checkbox"/> |
| No Exemptions | <input type="checkbox"/> |

c) If you have ticked one or more of the boxes above please give your reasons below.

Overnight accommodation:

On the basis that the exemption should only apply to permit the supply of alcohol to those who are staying at the premises, for consumption on the premises.

Theatre and Cinema:

We hold the view that these premises should be exempt on the basis that the supply of alcohol is ancillary to their business and they are unlikely to contribute to any crime and disorder issues that affect the NTE during the proposed supply period. The exempt supply should end at the conclusion of the film or theatre production.

Bingo Halls:

We hold the view that these premises should be exempt on the basis that the supply of alcohol is ancillary to their business and they are unlikely to contribute to any crime and disorder issues that affect the NTE during the proposed supply period. The exempt supply should end at the conclusion of the playing of bingo.

New Year's Eve:

New Year's Eve is a national event that in the past has been de-regulated to enable premises to operate later hours for the sale and supply of alcohol. It is often an extension to hours that has been 'grandfathered' onto licences without any other extended hours applied for and as such to require the fee to be paid would be an unreasonable burden for many operators and would result in significant additional burden to the authority in terms of administration of 'free' minor variations to remove.

Question 4

It is proposed that premises meeting the necessary 'small business rate relief' criteria should not be entitled to a reduction in Levy.

a) Do you agree that such premises should not receive a reduction?

No

b) If not, please give your reasons below?

We submit that such premises should be entitled to a reduction in respect of any levy adopted. Of all the premises that may be affected by a levy that may be adopted, these are some of the premises that can least afford to pay it.

Question 5

It is proposed that those premises meeting the requirements of the Safety Thirst Award Scheme should be entitled to a 30% reduction in their Levy payment.

a) Do you agree that such premises should receive a 30% reduction?

Yes

b) Please give your reasons below.

This answer is given notwithstanding we feel that other award schemes should be considered for eligibility, such as Best Nar None and Purple Flag. To fail to recognise such schemes reduces their viability and given that the levy is being introduced to deal with late night crime and disorder, all such schemes that have a positive effect need to be recognised.

It is suggested that any best practise scheme that involves an element of expense to premises in order to qualify- be that by way of paying a fee to join or because of costs associated in achieving the accreditation standard- this should be taken into account and a reduction to the levy applied.

Given that many premises are already required to invest as a matter of course in CCTV, door staff and other provisions mainly related to trading later into the night, as well as costs in achieving 'best practise', the reduction should be set at 30%

Question 6

It is proposed that the income raised from the Levy should be divided between the City Corporation and the City of London Police with 30% going to the City Corporation and 70% to the Police.

a) Do you agree that the net revenue from the levy should be split in this way?

Yes

b) If not, please give your reasons for this and the split you feel would be more appropriate (Please remember that the City of London Police cannot receive less than 70%).

Question 7

It is proposed that that income from the Levy received by the City Corporation will be spent in accordance with paragraphs 5.10 and 5.11 of this document.

a) Do you agree with the way in which the City Corporation will spend their portion of the levy?

No

b) If not, please give your reasons below and any suggestions you have for ways in which the money can be spent (please remember that the money can only be spent on those areas described in paragraph 5.3 of this document.

Point 5.10 of the consultation relates to a post created for the benefit of all licence holders and as such it is harmful and wrong to expect only a section to pay for it.

Point 5.11 of the consultation would purport to create night time posts only. This, we suggest is wholly unrealistic and will in truth become an enforcement body paid for by late night operators but used as a means of enforcing against all premises holders. This is not the purpose of the Levy.

Regulation 8 of The Late night levy (Application and Administration) Regulations 2012 is prescriptive regarding how the Licensing Authority must apply its proportion of any monies raised by the adoption of the Late Night Levy.

We believe that the council's portion of the levy should be used for cleaning of any highway maintainable at the public expense within the City of London and for other schemes that would benefit all parties paying the Levy.

Question 8

a) Do you agree with the way in which the City of London Police will spend their portion of the Levy?

No

b) If not, please give your reasons below giving examples where possible of how you think the money would be better spent.

Using funding to pay for objections to TENs is simply robbing Peter to pay Paul. TENs are excluded from the Late Nigh Levy. To get applicants to pay a levy to allow the police to object to it is unfair. Presumably most applications come from premises who do not have later hours (including those who reduce their hours to avoid paying the levy)

The 'action team' does not appear to be focussed on the night time economy. Again, this is a misallocation of the funds raised.

Covert operations are not used necessarily for 'early intervention'. Indeed it is certainly not solely used for the night time economy. For instance, test purchase operations should not be paid for by the Late Night Levy given that such operations need to focus on a much wider time period.

Should the Late Night Levy be introduced, the police portion of the levy should be used to fund extra officers on the street during the levy period and nothing more.

Question 9

Have you any other comments to make regarding the introduction of a Late Night Levy?

It is accepted that in these challenging times, all (new) sources of possible revenue need to be considered. That said, the concern is that the monies generated by the late night levy will be used to limit the savings that the Police and the Authority need to secure to their budgets and that the monies raised will not be used to pay for additional policing or other arrangements related to the late night economy.

The City of London is almost unique in that it is predominantly a 'working' borough that operates working hours much later than those in other business districts - particularly with its significant number of international corporations. Therefore, the City has a service industry that supports the Cities unique hours. As such, we have concerns that the Levy, if introduced, will have detrimental consequences in forcing restaurants and pubs to vary their hours in order to avoid paying the Levy. This is because often trade after midnight is not sufficient to warrant payment of an additional Levy. We also feel that there has not been enough consideration given to the fact that business rates in the City of London are generally very high and therefore the Levy charged will also be higher than in other areas. Losing this amenity could have a detrimental effect on the image and perception of the City of London as one of the world's leading commercial centres.

In addition, implementation of a levy is likely to cost more than envisaged to administer and the amount of revenue raised could be significantly less than expected. It would appear that there has been no consideration of 'hidden' costs, such as the inevitable increase in TEN's applications that will require processing and will in all probability lead to more hearings before the Licensing Committee.

Whilst the Police and Council incur costs in relation to the reduction or prevention of crime and disorder in connection with the supply of alcohol between 00.00am and 6.00am, the night time economy provides economic benefits to the City which may be lost, at least in part, on implementation of a levy.

It is far from clear what funds will be raised by the late night levy, if it is introduced (despite the figures quoted above). We have concerns that any monies raised will not be sufficient to ensure the Authority can properly comply with its obligations under regulation 8 of The Late Night Levy (Application and Administration) Regulations 2012.

Further, we disagree with the figures stated in the consultation as being the sums that will be raised. Many premises who either do not use their later hours or who simply have permissions for the odd Bank Holiday that take them into the Late Night Levy period will simply remove those permissions, which will reduce the amount raised.

Certainly we would have serious concerns about the use of the Levy to fund enforcement action against all premises irrespective of whether they operate later hours or indeed have any effect on the night time economy.

It is also important to take into account the fact that when premises secured permission to undertake the supply of alcohol during the proposed late night levy period they will have, in many cases, been required to comply with conditions to assist in ensuring they were able to continue to promote the licensing objectives. Complying with these conditions will, in many cases, have resulted in the premises incurring not inconsiderable expense.

Additionally, if there are particular premises that are not promoting the licensing objectives, they can be subjected to, amongst other measures, a review under section 51 of the 2003 Act, a summary review under section 53A of the Act, a prosecution under section 136 of the Act, a closure order under section 161 of the Act or a closure notice under section 19 of the Criminal Justice and Police Act 2001.

As such, and for all the reasons stated above it is felt that the Late Night Levy will not benefit the City of London in any meaningful way.

Of greatest significance, however, is the Fees consultation currently under way. It would be a significant error in judgement to seek to implement a levy of premises who are currently being asked to contemplate significant fee increases in any event. In addition, there are elements of the fee consultation that overlap with the purpose of the LNL. Whilst the police would not directly see any monetary gain from a change in the fee structures it is likely that there will be a significant effect on the Night Time Economy that would not be fully understood before a levy is introduced.

Thank you for completing this questionnaire. Could you please indicate below the capacity in which you are making your comments?

- Licensed Premises (with licence to sell alcohol after Mid-night)
- Licensed Premises (with licence to sell alcohol no later than Mid-night)
- Non-Licensed Business (no licence to sell alcohol)
- Resident
- Alderman or Common Councilman
- Other (please state)

National Pub Company with premises in the City of London both entitled to sell alcohol after midnight and with no such entitlement.

We are happy to accept the consultation questionnaire anonymously but if you would like to tell us who you are then please complete your details below:

Name: Steven Buckley

Organisation you represent (if relevant): Punch Taverns plc.

This response is made for and on behalf of Punch Taverns plc.

