

City of London Corporation Committee Report

Committee(s): Licensing Committee	Dated: 05/02/2026
Subject: Late Night Levy – 12 Month Report (1 Oct 2024 – 30 Sep 2025)	Public report: For Information
This proposal: <ul style="list-style-type: none"> • provides statutory duties 	Licensing authority duty under the Police Reform and Social Responsibility Act 2011 (as amended by the Policing and Crime Act 2017) to publish information about how revenue raised from late night levy is spent.
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Katie Stewart, Executive Director of Environment
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Summary

A late-night levy ('the levy') has been operating within the City of London since 1 October 2014. This report looks back at the eleventh year of operation, setting out the number of premises paying the levy, income collected and how that money has been spent to date.

Evidence shows the number of premises liable to pay the levy at the beginning of the twelfth levy year, due to their terminal hour for selling alcohol being after midnight, remains the same as the first levy year. The levy is therefore not a barrier to incoming and expanding businesses in the City's night-time economy.

Income from the levy is used to support the management of the night-time economy. It enables the Licensing Service to operate its unique risk scheme and its best practice accreditation scheme (Safety Thirst). Membership of the accreditation scheme enables a 30% discount on the levy. The levy is also used by the Environment Department's Cleansing service and City Police to provide additional resources and targeted support in managing the night-time economy and any alcohol related crime and disorder, anti-social behaviour and public nuisance.

Recommendation(s)

Members are asked to:

- Note the report

Main Report

Background

1. The Police Reform and Social Responsibility Act 2011 introduced the power for licensing authorities to charge a levy to premises that are licensed to sell alcohol after midnight in the authority's area, as a means of raising a contribution towards the costs of policing the late-night economy, with the aim of reducing or preventing crime and disorder in connection with the sale or supply of alcohol during the late night supply period.
2. On the 28 April 2014 this committee considered a report on the introduction of such a levy within the City of London and recommended to the Court of Common Council on 12 June 2014 that the levy be adopted. The levy was adopted and introduced in the City from 1 October 2014, with the levy year running annually from this date.
3. The levy is applied to all premises selling alcohol after midnight between the hours of 00:01 and 06:00. This includes premises that only sell alcohol after midnight on limited occasions such as New Year's Eve.

Current Position

Premises Liable

4. In October 2014, when the levy was introduced in the City, there were 308 premises subject to the levy. During the eleventh levy year (October 2024 to September 2025) 315 premises were subject to the levy (up from 303 premises in year ten). This indicates that the levy is not a barrier to incoming and expanding businesses in the City wanting to sell alcohol after midnight.
5. Once agreed by the Licensing Authority, the collection of the levy is mandatory and failure to pay must result in a suspension of the licence.

Generated Income

6. The amount of the levy is prescribed nationally and is based on the premises rateable value. The annual charges for the levy, and weekly equivalents, are set out in the table overleaf:

Table 1: Levy Payable by Premises

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)*

7. The total amount collected in the eleventh levy year, and the apportionment between administration costs, the City Police and the City Corporation, is shown in Table 2 below. The previous three levy years are shown for comparative purposes, along with the projected income for the first half of the twelfth Levy Year.

Table 2: Levy Income and Apportionment by Levy Year

Levy Year	Total Collected £000	Admin Cost £000	Police Share (70%) £000	City Share (30%) £000
8 (Oct 21 – Sep 22)	390	15	263	112
9 (Oct 22 – Sep 23)	458	15	310	133
10 (Oct 23 – Sep 24)	436	15	295	126
11 (Oct 24 – Sept 25)	461	15	312	134
12 (Oct 25 – Mar 26) (part year prediction)	174	10	115	49

8. The Late Night Levy (Application and Administration) Regulations 2012, enable licensing authorities to deduct their administration expenses from the gross levy income before apportioning the net sum between the police (minimum 70%) and the authority (maximum 30%). The licensing authority is reviewing its administration costs to ensure that deductions from the gross levy income are reflective of the time taken to collect and enforce the levy. An estimated adjustment has been made to the projected costs for the first half of the twelfth year (Oct 25 – March 26), with the full year cost estimated to be in the region of £25k-£35k.
9. Income from the levy during year eight appears lower than subsequent years. This can be attributed to (a) short-term pandemic effects as hospitality premises were gradually reopening throughout 2021-22 and income is consistent with the trade operating at approximately 70% of pre-pandemic levels at the time, and (b) a 'soft' approach to licence suspensions during the pandemic, allowing premises additional time to pay their annual fees. As a result, some of that income was

recovered during the ninth levy year, resulting in the increase in income between levy years eight and nine.

10. Legislation permits a local authority to give a 30% discount on the levy payment for those premises that participate in a best practice scheme. The scheme must show why membership of it is likely to result in a reduction of alcohol-related crime and disorder, there is a requirement for active participation by scheme members and those members who do not participate appropriately can be removed from the scheme. The scheme currently used by the City Corporation is the Safety Thirst accreditation scheme (the scheme).
11. The scheme has been running for many years but was completely revamped in 2014 prior to the levy being adopted. It lays down a set of criteria drawn from the City's Code of Good Practice for Licensed Premises, covering the four licensing objectives that premises must meet to join the scheme. Members of the scheme receive a 30% discount in their levy fees.
12. The number of premises achieving membership of the scheme during 2025 was 78 of which 54 were subject to the levy.
13. The City Corporation are required to spend their allocation of levy money 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.
14. Since the late-night levy was introduced in 2014 the total amount collected (as projected to 31 March 2026) is as follows:

Total collected	£5,044,000
Administration costs	£180,000
Police share of levy	£3,405,000 (70% minimum statutory share)
City Corporation share	£1,459,000
15. Since the late-night levy was introduced in 2014 the total amount spent by the City Corporation (as projected to 31 March 2026) is as follows:

Total Spent	£1,382,000
Unspent balance	£77,000
Total:	£1,459,000
16. There is nothing in the late night levy regulations or the Home Office late night levy guidance requiring levy revenue to be spent within a defined period of time. The unspent balance has accrued due to several factors including lower spend in the early levy years while plans for the most effective use of the funding were

developed, vacancies now filled, and the pandemic, during which time the cleansing service in the NTE was reduced, the traffic light scheme and safety thurst were temporarily suspended and additional support in the NTE ceased.

17. As The City's revenue is ringfenced, any surplus from one year is rolled forward to the next year. The current annual committed spend exceeds the forecast annual income. This is due to a combination of inflationary price increases, and the City Corporation supporting the Police led partnership initiative Operation Reframe, described in more detail at paragraph 22 below. Over time, this will use up the City's unspent balance.
18. Of the total levy funds apportioned to the City Corporation during 2025/26 the amounts shown in Table 3 below have so far been spent or committed. The previous three years have been shown for comparative purposes.

Table 3: City Corporation Levy Expenditure to 31 March 2026

(Expenditure shown by financial year)

Financial Year	Area of expenditure	Cost £000	
2022/23	Out of Hours Team	41	
	Funding of Licensing posts	45	
	Cleansing	38	
	Supporting Operation Reframe	1	
	Urilifts	3	
	Total 2022/23		128
2023/24	Out of Hours Team	41	
	Funding of Licensing posts	23	
	Cleansing	38	
	Supporting Operation Reframe	3	
	Total 2023/24		105
2024/25	Out of Hours Team	42	
	Funding of Licensing posts	55	
	Cleansing	41	
	Supporting Operation Reframe	1	
	Total 2024/25		139
2025/26	Out of Hours Team	44	
	Funding of Licensing posts	58	
	Cleansing	42	
	Supporting Operation Reframe	5	
	Total 2025/26 (projected)		149

19. **Out of Hours Team.** The out of hours team gives additional support to the Corporation's Pollution Control Team and operates Monday to Friday between 17:00 and 08:00 and provides a 24-hour service at weekends. The team consists of Street Environment Officers and can provide a rapid response to complaints relating to public nuisance and anti-social behaviour – usually in the form of noise. In addition, the team can identify areas where, although no complaint has

been received, problems do or may exist. This information is fed back to the Licensing Service who can visit the premises concerned and discuss ways in which problems can be avoided.

20. **Part funding of Licensing Team posts.** To mitigate problems occurring in the night-time economy, the City Corporation operates a risk (traffic light) scheme whereby incidents relating to licensed premises carry a score which is recorded and used to identify where problems may escalate. The Licensing team, City Police or other responsible authority are then able to meet with the premises and discuss ways in which problems can be avoided. In addition, the Licensing team operate a Safety Thirst scheme which ensures premises meet standards laid down in the Corporation's licensing code of practice for which they receive a 30% discount off the late-night levy if applicable. The scheme was previously operated by staff with no means of sustaining their funding. Although the risk and traffic light schemes are for all premises, over 70% of participating premises sell alcohol after midnight.
21. **The Environment Department provides a cleansing service** through their term contractor that is funded from the late-night levy. This service covers all areas of the City of London and operates Thursday to Sunday (inclusive) during the hours that the levy is applicable.
- a. The levy funded cleansing team visit locations throughout the City, sweep, clear litter, wash, disinfect and deal with any anti-social behaviour issues and staining identified around licensed premises. They also provide a service for one-off licensed events. Scheduled flushing and washing is carried out on streets around these locations, as well as removal of flyers and other related litter that is generated by the night-time economy. Part of the enhanced service also covers the flushing and washing of transport hubs.
 - b. This service has a positive effect on the cleanliness and image of the City. The cleansing management team believe that this service addresses the additional challenges raised by the increasing night-time economy. The service is monitored by the Street Environment Team and Veolia Managers to make sure the required standards are achieved
22. **Operation Reframe.** The City Corporation provides resources to assist City Police during Operation Reframe partnership evenings in the form of staff experienced in licensing and environmental health.

City of London Police – Levy Expenditure

23. Unlike the City Corporation, the City of London Police does not have restrictions on how they can spend their allocation of the levy. However, the Police have committed to using levy income to fund additional work related to policing of the night-time economy.
24. A Late-Night Levy Planning Board (LNLPB) has been established to discuss levy spend by the Police and to co-ordinate expenditure between the police and the

City Corporation. LNLPB meets quarterly and is chaired by the Chief Superintendent of Uniformed Policing and attended by other representatives of City Police and Corporation staff including Licensing, Environmental Health, Community Safety and Finance.

25. The governance of this meeting replaces the requirement for requests for levy funds to go to Force Tasking for approval.
26. Police revenue spend is not ringfenced, therefore there is no obligation to roll any surplus from one year over to the next. However, the LNLPB has currently agreed that any unspent revenue should be rolled forward and committed to policing the NTE
27. The current annual Police expenditure exceeds forecast income. This overspend is driven by inflationary pressures and additional costs arising from staffing proactive deployments. These include, but are not limited to, the partner-supported initiative, Operation Reframe, and additional City Safe bus deployments. This spending is presently being met by depleting the unspent Police balance year on year.
28. A breakdown of the City of London Police levy expenditure can be seen as Appendix 1.

Summary of Police Spend

29. City of London Police levy spend:

- a. **A dedicated Police Licensing Inspector** – the levy funds a police Licensing Inspector post in the Police licensing team. This post is fundamental in managing operational and tasking issues within the NTE, reducing alcohol related crime and disorder and keeping the City safe at night.
- b. **A dedicated Police Licensing Officer** – the levy funds an additional police officer in the Police licensing team. This officer provides ongoing resilience for the team and is responsible for gathering and checking risk management information for promoted events using intelligence systems. As a result, stakeholders are provided with the best information available for their events and can be warned about any particular issues identified in advance. The work of this officer also manages and removes risk from other NTE activity.
- c. **A Police CCTV Van** (including maintenance costs) – used to deter crime and anti-social behaviour stemming from the NTE and gather evidence following any incidents.
- d. **Resources for Operation Reframe** a City Police led partnership approach to facilitate the night-time economy by providing a high visibility presence, with the goal of making people feel safe in the City of London, in line with Safer Streets Campaign and preventing violence against women and girls. It involves targeted engagement with licensed premises around security and management, engaging with persons on the street that appear under the

influence of alcohol and/or vulnerable and directing them to a staffed 'safe zone', promoting the 'Ask for Angela' safety initiative, highlighting the risks of drink-spiking, and carrying out visible drink-spiking tests in agreement with premises. Cycle medics have become a key part of the Operation Reframe initiative, providing numerous timely interventions during every shift. They provide a gold standard of care to persons suffering significant injuries, mental health crisis and intoxication. Additional benefits are the reassignment of ambulances to other calls and early release of police resources back into servicing the NTE.

- e. **City Safe Bus** – The successful launch of the City Safe Bus in the latter half of 2025 has provided a focal point for safeguarding vulnerable persons in the NTE and high-profile public engagement. It is funded in partnership with the BID. In addition to being deployed during Operation Reframe it is out every Thursday, Friday and Saturday night, situated by the Liverpool Street hotspot. During December it was staffed until 3am in the morning via the City of London Police Operation Tinsel funding stream.
- f. **Operation Goliath** - This operation focuses on proactive, covert patrols targeting theft from licensed premises. These were primarily conducted last year by the Proactive Acquisitive Crime Team (PACT), both within standard working hours and additional hours funded by the LNL. Work by this team achieved numerous arrests, the return of property to victims, decreased levels of TFLP, identification of linked suspects and disruption of criminal networks. Joint working with the Metropolitan Police allowed for cross border analysis of hotspots and officers worked through the night to complete premises searches and process suspects for court. Operation Goliath spending has now been minimised during months with lower footfall with a view to revisiting as demand increases.
- g. **Bag Hooks** – these have been purchased as part of a target hardening initiative under Operation Goliath. They have been packaged and will be distributed during engagement/crime prevention visits.
- h. **Ask For Angela and Spiking Awareness testing** - These initiatives have been stepped up in 2025 both during Operation Reframe and outside of it. 76 Spiking Awareness Tests and 59 Ask for Angela Tests undertaken. Where educational opportunities were identified then bespoke training has been given to the venue. This is tailored to staff numbers, facilities, environmental factors and clientele demographic. There have been excellent operational demonstrations of venues elevating their response to live spiking reports after being trained. Increased staff confidence and awareness has likely contributed to elevated spiking reports. We consider this a positive outcome, increasing opportunities for victim care, suspect apprehension and evidence gathering.
- i. **Welfare and Vulnerability Engagement (WAVE)** - Training has been delivered throughout 2025, with most months having seen a WAVE training event take place. The average attendance for training sessions has been

around 50 persons, covering numerous venues. A large-scale WAVE event was held in November, supporting the VAWG intensification week, in which two sessions were held at The Steelyard. This culminated in over 200 NTE professionals being trained

- j. **Licensing Forum** - The Summer Licensing Forum was attended by approximately 150 individuals and was staffed by several CoLP departments and partners. Attendees were split into groups of 30 persons and had inputs from the CoLP Licensing Team, Proactive Crime Team and the Scientific Support Unit amongst others. Inputs were provided around spiking awareness, identification of fake ID's and Safe Havens, with the latter provided by the Safer Business Network

Engagement with premises paying the Late-Night Levy

- 30. The Licensing Service presents at and engages with licensees at the annual City Police Licensing Forum. At these forums, the Licensing Service covers a range of licensing topics, including late night levy spend and guidance on how licensees can participate in the City Corporation's approved Safety Thirst accreditation scheme that enables a 30% discount on the levy. Late-night levy spend will remain an active item on the agenda and officers will continue to explore ways to engage with the trade and seek feedback from those who contribute to the levy on how it is spent.

Corporate & Strategic Implications

- 31. **Vibrant Thriving Destination:** The proposals in this report will help to meet the aims contained within the Corporate Plan 2024-29 by attracting businesses and people to a safe, secure, and dynamic location. Providing resources to manage the nighttime economy reduces the risk of crime and anti-social behaviour, creating a safe environment for people to socialise in. The proposals also align with the government's aims in tackling violence against women and girls.
- 32. **Flourishing Public Spaces:** The levy contribution to cleansing and environmental management enhances the quality of the City's streets and public spaces at night, maintaining a clean and welcoming environment.
- 33. **Providing Excellent Services:** Protecting and promoting public safety and consumer protection at licensed premises.
- 34. **Dynamic Economic Growth:** A safe, well regulated nighttime economy is attractive to visitors, encourages footfall and supports economic growth in the hospitality sector. The stable number of licensed premises liable for the levy demonstrates that the City offers a favourable environment for commercial activity at night.

Financial implications

35. Any money retained by the City Corporation from the levy income must be spent on the areas referred to in paragraph 13, although it does not have to be spent in the same levy year in which the income was generated. Any expenditure in excess of the income received would need to be met from existing local risk budgets.

36. **Resource implications** : none identified

37. **Legal implications** : none identified

38. **Risk implications**: none identified

39. **Equalities implications** – none identified

40. **Climate implications**: none identified

41. **Security implications**: none identified

Conclusion

42. The number of premises paying the levy remains broadly the same as year one.

43. Forecasts for the twelfth levy year (1 October 2025 to 30 September 2026) are that income is likely to be maintained at level to that achieved in 2024-2025.

44. With Police achieving results which are likely to directly reduce the incidence of alcohol related crime and disorder, the levy money is continuing to have a positive effect on the night-time economy.

Appendices

- Appendix 1 – Police Expenditure

Background Papers

[Home Office 'Amended Guidance on the Late-Night Levy' – 13 July 2023.](#)

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