

Consultation on Fees under the Licensing Act 2003

Decisions

1. *Members are asked to endorse the proposed course of action.*

Actions

2. *Officers to carry out actions as determined by the Board.*

Action by: *LGA Secretariat*

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22 November 2004

Consultation on Fees under the Licensing Act 2003

Summary

1. Members are asked to endorse the proposed course of action arising from the consultation on fees under the Licensing Act 2003.

Background

2. The Licensing Act received Royal Assent in July 2003 and the Secretary of State's guidance gained parliamentary approval in the summer of 2004. Local authorities will start to receive applications to convert existing licences on 7 February 2005, the start of the transition period, with the new system going "live" in about November 2005.
3. The public consultation on all the Regulations (except those that setting out the fees) closed on 10 November. The joint LGA/LACORS response is available on the LACORS website – www.LACORS.gov.uk.
4. The fees were published for consultation on 4 November and the consultation closes on 23 December 2004. The full document is available on the DCMS website – www.culture.gov.uk or the LACORS website – www.LACORS.gov.uk. Some examples of the proposed fees are as below.

Premises licence and club premises certificate fees

It is proposed that the new premises fee structure will be banded and based on non-domestic rateable values, i.e. business rates, as in the table below.

Band	A	B	C	D	E
Non-domestic rateable value	£0 - £4300	£4,301 - £33,000	£33,001- £87,000	£87,001- £125,000	£125,001 and over

The fees relating to applications for premises licences, club premises certificate, variations etc and the conversion of existing licences, in the transition period are proposed as follows:

A	B	C	D	E
£80	£150	£250	£350	£500

Personal licence fees

The proposed fee for the grant or renewal of a personal licence is £37.

Temporary Event Notices

The proposed fee for a Temporary Event Notice (TEN) is £21.

5. During the passage of the Bill through parliament the LGA lobbied hard for locally set fees, rather than the centrally prescribed system set out in the Bill. Amendments to this

effect were tabled then withdrawn following ministerial assurances that the fees would allow for full recovery of the costs of administration, inspection and enforcement, as well as the start up costs, for local councils. The Secretary of State also agreed to an independent review of fee levels after the end of the transition period.

- 6. In November 2003 the LGA submitted evidence to DCMS relating to local costs and the level of work anticipated. The current DCMS consultation document acknowledges that this evidence was influential in changing some of the assumptions but there is still a considerable gap between our perceptions and we are concerned that there has not been enough movement to ensure cost recovery for all authorities.*

The LGA/LACORS response to the fees consultation

- 7. On 10 November a survey questionnaire (copy **attached** at Appendix 1) was circulated to all licensing authorities to gather up-to-date evidence to enable us to challenge specific opinions expressed in the DCMS consultation document and to feed into any parliamentary debates on the regulations. Completed questionnaires must be returned by Monday 22 November to info@ga.gov.uk and only electronic responses will be accepted.*
- 8. An example of the assumptions that we intend to challenge is in paragraph 3.9 of the DCMS document which states that:*

“The vast majority of new applications and applications to vary will not give rise to significant numbers of representations and hearings should therefore not be excessive.”

The evidence to support this statement is based upon liquor licences refused or revoked by the Magistrates’ Courts. We believe that this assumption under-represents the level of objected cases, and the costs attached, that will arise under the new regime.

- 9. Once the evidence from the survey is collated it is proposed that LGA/LACORS and the DCMS work together with a small group of authorities, including those already involved in the LACORS costs project, to see what issues remain outstanding. DCMS is stressing that this consultation period is vital to setting the fee scales. It is appointing consultants to assist this work.*

Implications for Wales

None identified at this time.

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