

## **Managing the Evening and Night-time Economy**

### **Purpose**

For discussion and direction.

### **Summary**

A diverse and vibrant night-time economy can make a significant economic and cultural contribution to an area, while at the same time mitigating the disorder that can arise from an evening economy that is led by vertical drinking establishments. Many areas are exploring the tools at their disposal to encourage a more positive usage of their evening and night time hubs.

This paper sets out some options for how the LGA can provide support and advice to assist these areas in their work.

### **Recommendations**

The Safer & Stronger Communities Board are asked to provide views on:

1. whether the Board's existing work in this area is appropriate and adds value to this agenda;
2. if there are any gaps or opportunities to further develop our support for councils; and
3. any examples of interesting practice in their own councils.

### **Action**

Officers to progress as directed.

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## **Managing the Evening and Night-time Economy**

### **Background**

1. Councils have been working to reduce levels of crime and disorder related to excessive alcohol consumption since before they were made responsible for licensing in 2003. At the same time, many have been seeking to develop their cultural offer to attract a more diverse range of people to visit their town centres in the evening and night-time.
2. Many councils are seeking to take a more proactive, managed approach to encouraging this shift, which has been shown to reduce crime and disorder at the same time as boosting the local economy and creating a more pleasant environment in which to live and work.
3. Until recently, approaches have been targeted at the night-time economy, which has been taken to mean 12 midnight until 6am. More recent studies have shown that creating a continuous offer between the day-time economy and the night-time economy is more effective at minimising crime and alcohol-related harm. This paper therefore refers to the evening and night-time economy (ENTE), roughly corresponding to 6pm to 6am.
4. The alcohol industry has an annual turnover of £66 billion, which is 10% of national GDP and up to one third of the revenue raised by town centres. Although the highest volume of alcohol is now sold through off-licences, and particularly supermarkets, from a social perspective it is pubs, clubs and restaurants that add the most to the evening economy and any tourist offer.
5. In 2015 there were half a billion visits to pubs, reflecting the importance of pubs to our society. The wider on-trade accounts for 6% of all employment in the UK and generates one in six of new jobs for 18-24 year olds.
6. At a local level, the average pub employs 25 people and generates £250,000 inward investment for the community. Pubs have recognised benefits in community cohesion and social wellbeing, with local pubs running events for charity, offering a way to deliver public services, and often becoming the heart of the community.
7. Supporting well-run premises, that do not contribute to local crime and disorder or public nuisance, is therefore beneficial to the local economy and to the community. Creating a mix of food-led premises, vertical drinking establishments and a late-night offer, in the proportions appropriate to the locality, can enhance a tourist offer and draw in visitors from surrounding areas. However, an offer that emphasises vertical-led drinking over other alternatives can prove problematic, with high levels of anti-social behaviour and violence.
8. There has been a steady stream of press releases claiming that licensing and red tape are responsible for this decline in licensed premises, particularly nightclubs which have declined at a sharp rate. In practice, there are a number of issues taking place, including a change in consumer patterns.

9. However, the pub industry is going through a period of change. In the past 10 years, 21,000 drink-led venues have closed, but over 8,600 food-led venues have opened over the same time. Over 50% of night clubs have also closed over this period – many citing conflicts with relaxed planning regulations that permit residential conversions next to the premises. These changes may be good news for some localities, but can also pose challenges for others.

### **Council tools and approaches**

10. Councils are using a mix of regulatory and economic tools to shape their evening and night-time economies. The consensus is that councils have the appropriate tools available to them, but need to explore more effectively how to use them. The following examples outline the three core approaches that councils can take – regulatory, nudge, and partnership:
  - 10.1 **Newcastle** have implemented a late-night levy to fund additional work in the night-time economy. This has led to a significant number of premises reducing their hours, allowing for a more targeted engagement and enforcement approach with the remaining venues. More significantly, it has funded the creation of a best practice scheme which has improved the operation of local premises. The Business Improvement District has also hosted 'Live after 5' to encourage more visitors.
  - 10.2 **Leeds** has hosted 'Light Leeds' to introduce people to arts and cultural venues that they might not otherwise see. In 2015, the event saw 60,000 people attend across 30 different venues. Follow on research has indicated that this has increased overall inter-change between the day and night-time economies, with a positive impact on crime levels. Leeds has also worked with door supervisors to take on responsibility for monitoring the streets after closing. Together, these measures have led to a 10% reduction in crime levels.
  - 10.3 **Stockton Heath (Warrington)** was the first village to achieve Purple Flag status, reflecting the mix of food-led premises on offer. The incentive of the award acted as catalyst to bring partners together and work towards a common goal. However, this has been at some expense of Warrington town centre and a cumulative impact policy has been introduced to rebalance the situation. Warrington has since commissioned a detailed report into its ENTE and created a vision for the future of the area, which will be in part delivered through its licensing work.

### **National/regional work**

11. Creation and management of the ENTE is receiving a lot of attention from both Government and industry bodies, in addition to the work of councils. The following pieces of work are known to be underway:
  - 11.1 **Local Alcohol Action Areas (LAAAs)** were launched by the Home Office in 2013. The first round of 20 explored three objectives, one of which was diversifying the night-time economy. The report summarising the work of these areas has not yet been published, but the Home Office has announced a

second wave of 40 areas. Areas will be invited to bid for the programme in June/July, and diversifying the ENTE will be a core objective (expanding on the original objective of diversifying the night-time economy).

- 11.2 **The Portman Group** has commissioned *Britain Thinks* to conduct a research project into the ENTE and how it can be encouraged. This has created a number of theoretical models, including the 'Pyramid of Buzz' and is now conducting detailed research into two council areas. The research is due to conclude in the Autumn.
- 11.3 **The Night Time Industries Association** is a new trade association that has established itself on the national arena, particularly in London. They have recently worked with Philip Kolvin QC to publish a manifesto on supporting the night-time economy. They aim to work with local authorities, particularly large urban areas, to help them support the industry.
- 11.4 **The London Night-Time Commission** was set up by the outgoing Mayor of London to look at how London's night-time economy could be coordinated to best effect, supporting London to continue to be the international destination of choice. It has a number of aims, including supporting the outer London boroughs to diversify their offer, should they wish to do so. It is closely examining licensing policies and the decisions of licensing committees as part of its work. Westminster and Camden Councils are represented directly on the Commission, while Cllr Sophie Linden of Hackney and Cllr Greg Smith of Hammersmith & Fulham respectively represent the LGA's Safer and Stronger Communities and Culture, Tourism and Sport Boards on a local authority working group. The Commission is due to make recommendations in the Autumn, including on the need for a Night Mayor or Czar.

### **Next steps**

- 12 The LGA has existing links with the projects above, and has been invited to co-brand The Portman Group research. We propose to continue this engagement.
- 13 The LGA also continues to receive examples of interesting and effective practice from councils. As part of our improvement support offer, the LGA has committed to publishing two licensing Councillor handbooks during this financial year, one of which will focus on managing the ENTE and will collate the case studies that have been shared so far.
- 14 A roundtable with industry bodies will also take place on 6 June, providing an opportunity to identify any further opportunities to work collaboratively with industry. It is expected that the Home Office will organise workshops on diversifying the ENTE for the 40 LAAA areas; the LGA could consider its own event on this subject, or seek to ensure this is featured in other regular events such as the Institute of Licensing conference.
- 15 Members are asked to provide views on:
  - 15.1 whether the existing work is appropriate and adds value to this agenda;

- 15.2 if there are any gaps or opportunities to further develop our support for councils; and
- 15.3 any examples of interesting practice in their own councils.

**Implications for Wales**

16 Wales experiences the same problems and has access to the same tools.

**Financial implications**

17 Any additional work identified from this report will be met from existing resources.