

**INDEPENDENT
LICENSING FEES REVIEW**

INTERIM REPORT

NOVEMBER 2005

INDEPENDENT LICENSING FEES REVIEW PANEL

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INDEPENDENT LICENSING FEES REVIEW PANEL

INDEPENDENT LICENSING FEES REVIEW PANEL

Sir Les Elton (Chair)

Clive Allen

Duncan Bowdler

Francis Patton

Brian Wilson

Paul Woods

FOREWORD

As detailed in our terms of reference, we have been asked by the Secretary of State to review and to report in November 2006 on the system of fees introduced by the Licensing Act 2003 and are working to that end.

We have also been asked to make this present report, setting out an interim review focussing mainly on the transitional period but taking a forward look at matters arising from operation of the system to date and containing any initial recommendations which appear necessary.

The members of the Panel have kept the four objectives of the legislation in mind (the prevention of crime and disorder; public safety; the prevention of public nuisance; and the protection of children from harm), noted the many issues for those requiring licences and the consequences for different groups of them. We have also worked to understand the implications for local government in taking on this substantial new function where new legislation and new ways of working will clearly take time to settle down. We have been impressed by the ways in which applicants and authorities are finding constructive ways of making the new system work well.

Our work has involved written consultation with around 70 stakeholder organisations representing the wide range of licensing interests, and meetings with about one third of those to take evidence of their concerns.

We are grateful for the efforts which those stakeholders have made at very short notice and at a time when they are all working hard to implement the new system to supply us with views and evidence of what has happened since the legislation was enacted, and we are confident that this cooperation will continue as we work towards the final report next year.

It has been generally accepted by those we have met that issues concerning the fees regime are often complex and that it has been and will be a difficult task to set out a system which is transparent, fair to the different types of licence holder and also provides for the licensing authorities to recover costs.

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The information on licensing authority fee income and expenditure (both in total and disaggregated where necessary) is held by the 380 licensing authorities. A great deal of information has been gathered by them and by their representative bodies. Unfortunately and for a variety of reasons, it has not been possible to assemble information which is either comprehensive or can be proven to be representative so that a firm view can be taken on even the total income and costs of the authorities. We shall continue to work with the authorities to assemble that information.

We appreciate that a number of stakeholder interests were hoping to see some immediate solutions coming from the interim review and, whilst we have had this in mind throughout the review process, it has not been possible to reach a decision yet on a number of issues. Nevertheless, we have identified four immediate recommendations and nine areas of activity that we wish to consider further during the next stage of our work. Our terms of reference are fees specific, and whilst we have sought to remain within that, it is inevitable that these include some parallel areas of activity which whilst not derived from the fees regime have an effect upon it. We have also agreed that if, as a result of our further work, we have some firm recommendations that can be made in advance of our full report next autumn, we will submit these earlier.

We have been supported by a Secretariat provided by DCMS, together with all those who have given us advice, views or information and the contents of this Report and the conclusions contained in it are the unanimous view of all members of the Panel.

A handwritten signature in black ink that reads "Les Elton". The signature is written in a cursive style with a long horizontal stroke underneath the name.

Sir Les Elton
Chair
Independent Licensing Fees Review Panel

November 2005

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3. LICENSING AUTHORITY INCOME AND COSTS

3.1. Evidence of the costs of licensing arrangements was presented to us by those applying for licences as well as from the licensing authorities responsible for administering the licensing arrangements. Many organisations that supplied evidence indicated that for them the transitional costs of the licensing arrangements were significant and in many cases the costs appeared to be higher than they anticipated.

3.2. For those applying for licences, the licence fee was only part of the overall cost, with significant expenditure also being incurred on, for example some or all of, the advertising of the application, the completion of the application and the production of plans, as well as legal advice.

3.3. For licensing authorities administering the scheme, information on income and costs was submitted by the Local Government Association and the Association of London Government and other representative bodies, as well as information provided by some individual authorities.

3.4. The information submitted included an estimate of net expenditure in 2004/05 and 2005/06, which was based on a sample of licensing authorities. There are clearly a wide range of authority types and we understand the sample was based on those authorities responding to a request for information, so it was unclear to us how representative the information provided was. The information supplied indicated that net expenditure in 2004/05 was significantly higher than anticipated, partly as a result of the delay in the receipt of licence fee income. Most applications were delayed until after 31 March 2005, the year end of the local government financial year, and most of the fee income was received in 2005/06. The information that was submitted indicated that as well as a net deficit in 2004/05, many authorities were also expecting to have a net deficit over the two year period including 2005/06.

3.5. Unfortunately however and for a variety of reasons, it has not been possible to assemble information which is either comprehensive or can be proven to be representative so that a firm view can be taken on the total income and costs of the authorities. As part of the next phase of our work, it will be necessary for us to identify, as accurately as reasonably possible, the overall net cost for all licensing authorities in England and Wales for 2004/05 as well as for 2005/06 and to estimate the potential ongoing net costs of licensing arrangements. We will continue to work with authorities and representative bodies to assemble that information.

3.6. We have also noted that there were differences in net transitional and estimates of annual ongoing costs between licensing authorities and it will be important to clarify and understand the reasons for that in order to assess the level of costs that would reasonably be incurred to efficiently and effectively deliver the statutory licensing function.

4. EXECUTIVE SUMMARY

4.1. The following Executive Summary provides some immediate recommendations coming from our interim review, followed by the key areas of activity that we wish to consider further during the next stage of our work for our final report in autumn 2006.

4.2. Given the evidence-based financial data that has been available in this relatively short time-frame for this first piece of work, it has not been possible to come to firm conclusions about licensing authority income and net costs (as outlined in section 3) or the impact over the transition period of higher than anticipated costs (and consequences) on fees payers. Our immediate recommendations, therefore, necessarily focus on other areas of licensing fees activity and parallel areas. As part of the next stage of work, we will want to identify as accurately as reasonably possible the overall costs for authorities and fee payers both during transition and ongoing annual costs.

4.3. We recommend to the Secretary of State that:

4.3.1. There should be a central source of information (completed within the next twelve months) addressed to licence payers which explains:

- why the system has changed and what the Licensing Act 2003 now delivers in order to fulfil its objectives
- what the new system does for fee payers
- fee payers duties and responsibilities
- what licensing authorities responsibilities are to fee payers

Evidence suggests that fee payers are unsure about what they get in return for their licence fees in comparison with what they paid under the six previous regimes which govern licensable activities addressed by the Licensing Act 2003.

Full details are on page 15

4.3.2. An annual date should be set for the payment of the Annual Fee. We acknowledge that there can be no one exact date for payment that will satisfy every stakeholder interest. We are aware of the effect that setting a specific date later in the local government financial year may have on local government finances. We are also aware of the effect of setting a date earlier in the year on other stakeholders and the need to avoid the timing of operational requirements of payment arrangements in peak holiday periods. Given that most applications were made in the immediate run-up to the 6th August grandfather rights deadline, we consider that, taking these points into account, the date should be 1st October.

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Licensing authorities should also have the ability to receive automated payments and consideration should be given to incentives to pay or disincentives for not paying the Annual Fee.

A number of stakeholders have told us that it would be simpler if there was an annual payment date for the Annual Fee. We also believe that a 'licence day' is easier to remember and plan for.

There are difficulties surrounding the civil recovery of debt for the non payment of the Annual Fee. We understand that in setting the fees, Ministers were keen to ensure that the Annual Fee would provide for legitimate licensing authority inspection and enforcement activity etc, but that there should not be a perception that payment of the Annual Fee is a licence renewal process. In addition, the Licensing Act 2003 provides for the collection of debt to an authority through the legislation. However, we consider there should be incentives to pay or disincentives for non-payment.

Full details are on page 15

4.3.3. Consideration should be given to simplifying the application process by:

- **introducing an alternative method of advertising applications other than newspapers that is effective in both cost and impact.**
- **providing guidance that makes explicit that 'professional' drawn premises plans are not necessary in all instances.**

The associated cost of the applications process has exceeded stakeholder expectations. Examples include newspaper advertising requirements which are in their view both expensive and are not always seen by interested parties in the vicinity of the premises making the application, and greater use of professional assistance for drafting premises plans than they originally anticipated.

Full details are on page 16

4.3.4. There should be no impediment to licensing authorities making their monitoring, enforcement, and administration more efficient and cost effective, and that if legislation is not required, the position should be clarified in the Guidance issued to licensing authorities under section 182 of the 2003 Act.

Evidence suggests that some licensing authorities wish to have the opportunity to develop collective working practices and support networks (e.g. the sharing of back-office staff for mail-outs) to carry out administration activities. This cannot involve any decision-making activity. We understand that the Licensing Act 2003 provides that "licensing functions", other than the making of a statement of licensing policy, may generally be delegated to licensing committees, sub-committees and officers, but not to others. However, any activity that is not a licensing function under the provision of

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the Act, such as issuing reminder letters to licensees about the due date for payment of Annual Fees, may be delegated to others. We understand that DCMS has not stated a position on this issue and we recommend that this is looked at again.

Full details are on page 17

We are aware that in order to enact these recommendations, changes may be required through secondary or even primary legislation. Where changes to statutory guidance are required, they could be considered as part of the review of guidance which we understand is being undertaken by DCMS from December.

4.4 Areas for further consideration during the next stage of work:

There is an overarching issue raised with us surrounding the costs of transition which overlies a number of areas of further work which we will look at as more data is made available, including the impact on net expenditure by fee payers and licensing authorities.

4.4.1. Licensing Authority Income and Costs

- As previously stated (Section 3), information provided by stakeholders indicates that net expenditure in 2004/05 was significantly higher than they anticipated, partly as a result of the delay in the receipt of licence fee income. We understand that many authorities also expect to have a net deficit in 2005/06.
- Unfortunately and for a variety of reasons, it has not been possible to assemble information which is either comprehensive or can be proven to be representative so that a firm view can be taken on the total income and costs of the authorities.
- It will be necessary for us to identify, as accurately as reasonably possible, the overall net cost for all authorities in England and Wales for 2004/05 as well as for 2005/06 and estimate the potential ongoing net costs of licensing arrangements. We also need to clarify and understand the reasons for the differences in net transitional and estimates of annual ongoing costs between authorities in order to assess the level of costs that would reasonably be incurred to efficiently and effectively deliver the statutory licensing function. We will continue to work with authorities and representative bodies to assemble that information.

Full details are in Section 3 and on page 19

4.4.2. Licensing Authority Inspection and Enforcement regimes and variability of Licensing Authority approach

- We will look further at the issue of licensing authority inspection and enforcement in the context of the Better Regulation Executive's implementation of the recommendations of the Hampton Review of Regulation.
- Stakeholders have concerns about the interpretation and variation of approach by different licensing authorities which has impacted on costs. For example, the inclusion of different enforcement regulations as conditions of licence, and the variability in dealing with appeals and hearings. We will consider this further as part of the best practice licensing authority approach in order to determine what is reasonable efficiency.

Full details are on page 20

4.4.3. Model for Calculating Fees

- A range of stakeholders are supportive of a national, unified system and say that centrally set fees will remove the inconsistencies in fee levels that currently exist and will create a fair and level playing field across England and Wales. Whilst some acknowledge that Non- Domestic Rateable Value (RV) does not provide the ideal mechanism for calculating fees, they recognise that there may not be a better model on which to determine the fee scales. Others firmly consider it is not the best mechanism for calculating fees for the different types of applicants. However, no universally applicable alternative solution has been supplied so far.
- Changing the model used for calculating fees may require primary legislation. We are open to receiving either alternative methods or mechanisms for calculating fees, but these would need to be considered as part of broader considerations which seek to set out a system that is transparent, fair to different types of licence holder and also provides for licensing authorities to recover costs.

Full details are on page 21. See also 4.4.4 below

4.4.4. Apportionment/Hereditament

- Stakeholders have concerns about where licensable activity is only a small area of a much larger premise. Also, where there is low volume alcohol sales in relation to total business activity.
- We will look further at this as more data from sectors is received. We will also explore this issue with the Valuation Office Agency.

Full details are on page 21. See also 4.4.3 above.

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4.4.5. Simplification and Number of Application Forms (see also 4.4.2)

- Stakeholders have concerns relating to the complexity and number of application forms required for responsible authorities and the number of responsible authorities to whom the applications are submitted.
- We understand that in previous responses to this issue, the DCMS position has been that the current processes compare well with the total number of application forms required over time under the six previous regimes which govern licensable activity addressed by the Licensing Act 2003.
- We will look at this issue in more detail in conjunction with further advice and evidence received from stakeholders and DCMS.

Full details are on page 22

4.4.6. Temporary Event Notices

- Stakeholders have told us that the current Temporary Event Notices (TENS) limits are too inflexible and restrictive. The issue is in no small part about the capacity and willingness of village hall, community facility and other voluntary committees to take on the responsibilities of the Licensing Act. Many will wish to pass these responsibilities on to those who are managing the actual events and who will themselves need to apply for a TEN. In parallel there are issues about the effect of the TENS regime on commercial operators, and the lack of control over inspection and enforcement activity.
- We are aware that DCMS concluded a formal 3 month consultation in October 2005 on Permitted Temporary Activities and the TENS Regulations. The consultation was primarily about the forms and procedures and, while it was not about any formal proposals to change the existing limits on the use of TENS, it did however indicate that Ministers would consider views about the limits from all respondents as that would inform their future consideration of the matter.
- We will look at this further as more data becomes available after the Second Appointed Day (24 November 2005)) and across all the activity to which the TENS regime applies.

Full details are on page 22

4.4.7. Not-for-Profit Groups/Events

- Stakeholders have told us that the new regime has created a disproportionate administration and financial burden and that it is unfair that they should be treated in the same way as commercial premises or activities.
- We have been presented with a number of alternative approaches which we will consider more fully and in the round of the fees regime overall, as more data on impact is made available.

Full details are on page 23

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4.4.8. Circuses

- Stakeholders are concerned about the financial burden of having to apply for a full licence with the concomitant costs every time a circus performs at a new venue.
- We will look further at the impact of new regime on circuses as more actual data becomes available and in the lead in to the new season.

Full details are on page 23

4.4.9. Large Events and Festivals

- Issues raised with us by stakeholders include the waiving of fees for not-for profit events, flexibility of licensing authority approaches, applying fees to the proportion of the licensed area, and fixing fees which reflect the complexity of the event.
- We will look at this further as more impact data is available once more applications for large events have been made. (Although not exclusively so, many of these events take place during the spring and summer months.)

Full details are on page 24

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5. TERMS OF REFERENCE AND METHODOLOGY

5.1. The **Licensing Act 2003** provides for fees to be payable to licensing authorities in return for the functions that they undertake in respect of the Act. The fees have been set centrally by the Secretary of State for Culture, Media and Sport, and at a level to that seeks to allow licensing authorities full recovery of their legitimate administration, inspection and enforcement costs of the new regime, while at the same time achieve arrangements which are fair to businesses of differing sizes and to non commercial organisations and other individuals seeking licences.

5.2. Following consultation with local authorities, industry, clubs, community facility groups and other stakeholders about licence fees, the Secretary of State announced the fee package on 20 January 2005 – **the Licensing Act 2003 (Fees) Regulations 2005**.

5.3. Our Terms of Reference

We have been tasked by Secretary of State with:

- considering whether the fees cover the full cost to licensing authorities;
- identifying the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities;
- making recommendations about how the existing fee structure and levels could be developed;
- ensuring best practice is being fully realised across all authorities; and
- identifying how the regime could be developed to address any other issues, which will include the impact of the structure of the fee scales on community amateur sports clubs, village and community halls.

We have been asked to deliver to the Secretary of State:

- **An interim report in the autumn of 2005** - focusing mainly on the transitional period, but based on findings it takes a forward look at implications for the first full year of operation of the system.
- **A final report in the autumn of 2006**, detailing findings and where appropriate making recommendations for the immediate and medium term development of the licensing fees regime.

Methodology

5.4. During the end of July and early August we met to consider our approach to this work and how we would operate as a Panel. We agreed to work together constructively in order to accommodate the large number of stakeholder interests in the fees regime. We also confirmed the importance of our independence and neutrality in the review process, whilst bringing our own particular expertise and understanding to discussions and considerations.

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Interim Review Process

5.5. We agreed a process and timetable which would enable us to produce an Interim Report by this autumn. That included the agreement of:

- a list of around 70 stakeholder organisations, representing a wide range of licensing interests, which would be included in a consultation process and from whom we would commission written evidence - in order to obtain their initial thoughts and views about the new fees regime.
- a shorter list of representative stakeholder organisations (around 25) who would, in addition, be invited to give us oral evidence. We agreed that Sir Les Elton would chair each meeting with at least two other panel members present.

5.6. In August, we wrote to and received evidence from a number of interested stakeholders. Subsequently, the 25 representative organisations and groups also invited to give oral evidence met with us during late August and early September. The final list of the stakeholders that were invited to and/or provided evidence as part of this initial review is attached *at* [Annex i](#). A summary of issues raised with us is in [Annex ii](#).

5.7. We have since met to consider, in the round, all the evidence we have received (both written and orally), prior to commencing the drafting of the Interim Report.

5.8. We have been and will continue to be supported by a Secretariat provided by DCMS.

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6. IMMEDIATE RECOMMENDATIONS – THE DETAILS

6.1. Evidence suggests that fee payers are unsure about what they get in return for their licence fees in comparison with what they paid under the six previous regimes (which govern licensable activities addressed by the Licensing Act 2003) together with the deregulatory benefits of the new regime. In particular, those sectors that say they envisage little inspection or enforcement activity seek justification of 'what the extra money buys'. Some also have concerns about the emphasis shifting from an annual fee for e.g. legitimate licensing authority inspection and enforcement, to implicit consideration that enforcement under the Licensing Act 2003 will dovetail with broader local and national Government initiatives (e.g. Alcohol Disorder Zones, installing security cameras off-site etc).

Recommendation 1:

Based on the evidence we have received, we recommend there should be a central source of information (completed within the next twelve months) addressed to fee payers which explains:

- why the system has changed and what the Licensing Act 2003 now delivers in order to fulfil its objectives: the prevention of crime and disorder; public safety; the prevention of public nuisance; and the protection of children from harm.
- what the new system does for fee payers including, for example, the reduction in red tape and licensing processes in the mid to longer terms.
- what fee payers duties and responsibilities including, for example, adherence to licence conditions and compliance with the specific offence provisions in the Act relating to sales of alcohol to children and drunks.
- what licensing authorities responsibilities are to fee payers including, for example, the provision of effective and efficient enforcement regimes, fair decision making, and a consistent approach to the application of the Act.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities.

6.2. A number of stakeholders have told us that it would be simpler if there was an annual payment date for the Annual Fee. Views on the exact payment date range from the anniversary of the 2nd Appointed Day (24 November) to a date that coincides with the start of the local government financial year in April.

There are difficulties surrounding the civil recovery of debt for the non payment of the Annual Fee. We understand that in setting the fees, Ministers were keen to ensure that the Annual Fee would provide for legitimate licensing authority inspection and enforcement activity etc, but that there should not be a perception that payment of the Annual Fee is a licence

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renewal process. In addition, the 2003 Licensing Act provides for the collection of debt to an authority through the legislation.

We understand that when debts are recovered, the authority may make arrangements both for the recovery of the debt and the recovery of the costs incurred in that process. Ministers considered that it was unnecessary to provide for the suspension of the licence pending payment. However, we consider there should be incentives to pay or disincentives for non-payment of the Annual Fee. Suggestions we have received range from a reduction for payment made early, to a penalty charge for late payment, to closure of the premises for non payment until such time as payment is received, to non payment leading to a review of the licence with a final sanction or revocation.

Recommendation 2:

Based on the evidence we have received, we recommend that a date should be set for the payment of the Annual Fee.

We acknowledge that there can be no one exact date for payment that will satisfy every stakeholder interest. We are aware of the effect that setting a specific date later in the local government financial year may have on local government finances – whilst this could present a cash-flow loss for some licensing authorities, it would not record an in-year accounting loss. We are also aware of the effect of setting a date earlier in the year on other stakeholders. For example, there could be a disproportionate effect on some not-for-profit or voluntary organisations and small businesses - particularly those that paid their initial application fee close to 6 August 2005 'grandfather rights' deadline. Also, the need to avoid the timing of operational requirements of payment arrangements in peak holiday periods.

Given that most applications were made in the immediate run-up to the 6th August grandfather rights deadline, we consider that, taking these points into account, the date should be 1st October. Additionally, we believe that a 'licence day' is both easier to remember and plan for.

We also recommend that licensing authorities should have the ability to receive automated payments and that further consideration should be given to incentives to pay or disincentives for not paying the Annual Fee as outlined above.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

6.3. The associated cost of the applications process has exceeded stakeholder expectations. They say for example, because of the newspaper advertising requirements which are, in their view, both expensive and are not always seen by those interested parties in the vicinity of the premises making the application (those parties would not necessarily buy the newspaper or

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look at the relevant sections where the adverts are contained). We are conscious however that we have not consulted representative residents groups about the effectiveness of the current advertising requirements. Also, because of much greater use of professional assistance than they originally anticipated for drafting premises plans and on hearings and appeals.

We understand that concerns about the requirements to advertise applications were raised directly with DCMS as part of the public consultation on the regulations. We are aware that DCMS said that these requirements were necessary in order to meet the legal obligations placed on Ministers by the Licensing Act 2003 when making the regulations. In particular, Ministers were concerned to ensure that the opportunities for interested parties, including local residents, to exercise their new rights to intervene in licence applications were maximised. We also understand that the costs of advertising requirements have not exceeded Government's expectations as outlined in the Regulatory Impact Assessment which was published with the regulations. This states that the cost of newspaper advertising would be between £28 and £57 million during the period of transition, and over 10 years four times the level of the previous licensing regime.

Recommendation 3:

Based on evidence we have received that the associated costs of applications have exceeded stakeholder expectations, we recommend that the Secretary of State considers simplifying the application process by:

- introducing an alternative method of advertising applications other than newspapers that is effective both in cost and impact. DCMS could consider (following consultation with representative residents groups and others):
 - letters to neighbouring residents (e.g. a small targeted approach with a certain radius around licensed premises;
 - free newspapers and other publications; and
 - the scale or size of the notice etc.
- providing guidance that makes explicit that 'professional' drawn premises plans are not necessary in all instances.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

6.4. Evidence suggests that some licensing authorities wish to have an opportunity to develop collective working practices and support networks (e.g. the sharing of back-office staff for mail-outs) to carry out administration activities. This cannot involve any decision-making activity. We understand that the Licensing Act 2003 provides that "licensing functions", other than the

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making of a statement of licensing policy, may generally be delegated to licensing committees, sub-committees and officers, but not to others. However, any activity that is not a licensing function under the provision of the Act, such as issuing reminder letters to licensees about the due date for payment of Annual Fees, may be delegated to others. We understand that DCMS has not stated a position on this issue and we recommend that this is looked at again.

Recommendation 4:

We recommend that there should be no impediment to licensing authorities making their monitoring, enforcement, and administration more efficient and cost effective, and that if legislation is not required, the position should be clarified in the Guidance issued to licensing authorities under section 182 of the 2003 Act.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to ensure that best practice is being fully utilised across all authorities.

We are aware that in order to enact these recommendations, changes may be required through secondary or even primary legislation. Where changes to statutory guidance are required, they could be considered as part of the review of guidance which we understand is being undertaken by DCMS from December.

7. AREAS FOR FURTHER CONSIDERATION DURING NEXT STAGE OF WORK – THE DETAILS

We have identified the following issues for further work during the next stage of our review.

An overarching issue raised with us has been that transition costs greatly exceeded stakeholders' initial expectations. The reasons provided included the late laying of regulations and the very prescriptive requirements contained within them. Licensing authorities argued that the effect has been that few applications for conversion/variation were received in the first few months following the First Appointed Day on 7 February 2005, with the vast majority received in the last few weeks prior to the 6 August 'grandfather rights' deadline. Fee payers say that a significant amount of preparatory work was undertaken prior to the first appointed day (e.g. drafting premises plans) based on the draft regulations; some of that work was unnecessary due to amendments once the regulations were laid, and it also led to a squeeze on professional resources in the remaining period. We are aware that DCMS's position in Spring 2005 was that whilst recognising that the late laying of the regulations was not helpful, it did not think that it could be reasonably argued that this was having any effect then on the flow of applications several months after the First Appointed Day. It might have explained some initial delay, but not any prolonged period. DCMS took the view that a significant publicity campaign would eliminate the problem and that commenced in May 2005.

This issue overlies a number of the areas for further work, and whilst we cannot at this stage agree either way, we will look at this as more data is made available, including the impact on net expenditure by fee payers and licensing authorities.

7.1. Licensing Authority Income and Costs

This issue has also been addressed more fully in section 3 of the report.

Information submitted to us included an estimate of net expenditure in 2004/05 and 2005/06, which was based on a sample of licensing authorities. There are clearly a wide range of authority types and the sample was based on those authorities responding to a request for information and it was unclear to us how representative the information provided was. The information supplied indicated that net expenditure in 2004/05 was significantly higher than anticipated, partly as a result of the delay in the receipt of licence fee income. Most applications were delayed until after 31 March 2005, the year end of the local Government financial year, and most of the fee income was received in 2005/06. The information that was submitted indicated that as well as a net deficit in 2004/05, many authorities were also expecting to have a net deficit over the two year period including 2005/06.

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Unfortunately and for a variety of reasons, it has not been possible to assemble information which is either comprehensive or can be proven to be representative so that a firm view can be taken on the total income and costs of the authorities. As part of the next phase of our work, it will be necessary for us to identify, as accurately as reasonably possible, the overall net cost for all licensing authorities in England and Wales for 2004/05 as well as for 2005/06 and to estimate the potential ongoing net costs of licensing arrangements. We will continue to work with authorities and representative bodies to assemble that information.

We have also noted that there were differences in net transitional and estimates of annual ongoing costs between licensing authorities and it will be important to clarify and understand the reasons for that in order to assess the level of costs that would reasonably be incurred to efficiently and effectively deliver the statutory licensing function.

Some fee payers have told us that they would not expect to see any shortfall in costs clawed back from them at a later stage.

Terms of Reference

This issue falls from our Term of Reference to consider whether the fees cover the full cost to licensing authorities; to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

7.2. Licensing Authority Inspection and Enforcement regimes and variability of Licensing Authority approaches to new regime

We will look further at the issue of local authority inspection and enforcement in the context of the Better Regulation Executive's implementation of the recommendations of the Hampton Review of Regulation¹.

Some stakeholders have told us of concerns about the interpretation and variation of approach by different licensing authorities which has impacted on costs. For example, the inclusion of different enforcement regulations as conditions of licence, and the variability in dealing with appeals and hearings. We will consider this further as part of the best practice licensing authority approach in order to determine what is reasonable efficiency.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to ensure that best practice is being fully realised across all authorities.

¹ The broad thrust of the Hampton Report is that regulatory activity needs to be targeted and proportionate. It sets out a programme of regulatory mergers to reduce the number of public-sector interfaces for business and also recommends the simplification of regulatory processes, including reducing the number of forms businesses have to fill out, and recommends moves towards unifying data requirements from business. It recommends improved coordination of local authority regulatory services and suggests that a new enforcement culture is needed driven by clear assessments of risk. While licensing is outside the scope of the Hampton Review, there are some obvious interfaces.

7.3. Model for Calculating Fees (see also 7.4 below)

A range of stakeholders are supportive of a national, unified system and say that centrally set fees will remove the inconsistencies in fee levels that currently exist and will create a fair and level playing field across England and Wales. Whilst some acknowledge that non-domestic rateable value (RV) does not provide the ideal mechanism for calculating fees, they recognise that there may not be a better model on which to determine the fee scales. Others firmly consider it is not the best mechanism for calculating fees for the different types of applicants. However, no universally applicable alternative solution has been supplied so far.

Views we received about the current model included: the effect the RV system has on small businesses generally, businesses with a small proportion of alcohol sales and the hereditament of property to which the RV applies (see below). Also, that the system does not recognise and understand local cost differences and resource demands between licensing authorities.

- Changing the model used for calculating fees may require primary legislation. We are open to receiving either alternative methods or mechanisms for calculating fees, but these would need to be considered as part of broader considerations which seek to set out a system that is transparent, fair to different types of licence holder and also provides for licensing authorities to recover costs.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

7.4. Apportionment/Hereditament² (see also 7.3 above)

As noted above (7.3), stakeholders have told us about concerns where licensable activity is only a small area of a much larger premise. Also, where there are low volume alcohol sales in relation to total business activity.

Stakeholders have told us that because the licence fee is not based on the RV of the part of the business premises selling alcohol but on the premises as a whole, the current structure adversely affects small business in favour of larger businesses which receive their main income from alcohol sales. They would like the link between RV and fee banding reconsidered so as to ensure that fees are calculated on the proportion of the licensed activity of the business (i.e. the hereditament).

² RV applies to the whole premises/area. Hereditament is the part of the property to which the RV is applied.

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Other stakeholders have told us that because they believe the fees regime penalises (a) smallest businesses & (b) businesses with a small proportion of sales from alcohol, they would favour a system:

- based on turnover,
- linked to the Business Rate Relief Scheme.
- which has a specially reduced and/or capped fee,
- which places the business in the lowest fee banding category
- based on the proportion of audited alcohol sales/profit.
- exempts businesses that do not admit customers to their premises

We will look further at this as more data from sectors is received. We will also explore this issue with the Valuation Office Agency.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

7.5. Simplification and number of application forms (see also 7.2)

Stakeholders have told us about concerns relating to the complexity and number of application forms required for responsible authorities and the number of responsible authorities to whom the applications are submitted.

We understand that in previous responses to this issue, both during the setting of regulations and subsequently, the DCMS position has been that the current processes compare well with the total number of application forms required over time under the six previous regimes which govern licensable activity addressed by the Licensing Act 2003, because once done under the new regime, they should never need to be completed again unless a licensee's circumstances change.

- We will look at this issue in more detail in conjunction with further advice and evidence received from stakeholders and DCMS.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities.

7.6. Temporary Events Notices (TENs) – the threshold in terms of numbers permitted, numbers of people & block-bookings.

Stakeholders have told us that the current TENs limits are too inflexible and restrictive. The issue is in no small part about the capacity and willingness of village hall, community facility and other voluntary committees to take on the responsibilities of the Licensing Act. Many will wish to pass these responsibilities on to those who are managing the actual events and who will themselves need to apply for a TEN. This issue is also about the effect of the

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TENS regime on commercial operators and the lack of control over inspection and enforcement activity.

We are aware that DCMS completed a formal 3 month consultation in October 2005 on Permitted Temporary Activities and the TENS Regulations. The consultation was primarily about the forms and procedures. While it was not about any formal proposals to change the existing limits on the use of TENS, it did, however, indicate that Ministers would consider views about the limits from all respondents, as that would inform their future consideration of the matter.

- We will look at this further as more data becomes available after the Second Appointed Day (24 November 2005) and across all the activity to which the TENS regime applies.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to identify how the regime could be developed to address any other issues which will include the impact of the structure of the fee scales on community amateur sports clubs, village and community halls.

7.7. Not-for Profit Groups/Events – proportionality of fee against level of risk

Stakeholders have told us that the new regime has created a disproportionate administration and financial burden and that it is unfair that they should be treated in the same way as commercial premises or activities.

- We have been presented with a number of alternative approaches which we will consider more fully and in the round of the fees regime overall, as more data on impact is made available.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; to make recommendations about how the existing fee structure and levels could be developed; and to identify how the regime could be developed to address any other issues which will include the impact of the structure of the fee scales on community amateur sports clubs, village and community halls.

7.8. Circuses

Stakeholders are concerned about the financial burden of having to apply for a full licence with the concomitant costs every time a circus performs at a new venue.

We understand that the fee requirement for this art form is the same as any other licensable venue. However, representative stakeholders have told us that unlike a fixed building-based venue requiring a single licence, they will have to apply for a new licence every time they perform at a new venue

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(together with the associated costs and fees). Because the nature of their performance cycle and audience size, they cannot apply for a Temporary Events Notice, so each of these applications must be for a full premises licence.

- We will look further at the impact of new regime on circuses as more actual data becomes available prior to the new season.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

7.9. Threshold for Events and Festivals (over 4999 attendees) triggering the higher fee, particularly those capturing large not for profit/community events in the same bracket as other commercial large events.

Issues raised with us by stakeholders include: the waiving of fees for not-for profit events; that the flexibility of licensing authority approach to the application of these fees should be maintained in line with the previous Public Entertainment Licence regime; applying fees to the proportion of the licensed area and not the whole event site; and fixing fees which reflect the complexity of the event rather than footfall.

- We will look at this further as more impact data is available once more applications for large events have been made (after the Second Appointed Day - 24 November 2005). Although not exclusively, many of these events take place during the spring and summer months.

Terms of Reference

This issue falls from our Term of Reference to identify the scale, extent and nature of any problem(s) encountered by licensees/licence payers and licensing authorities; and to make recommendations about how the existing fee structure and levels could be developed.

LIST OF STAKEHOLDERS

Action with Communities in Rural England
Alnwick District Council
Arts Council England
Association of Chief Police Officers
Association of Circus Proprietors of GB
Association of Convenience Stores
Association of Leading Visitor Attractions
Association of Licensed Multiple Retailers
Association of London Government
Association of Small Direct Wine Merchants
Bar Entertainment & Dance Association
Bracknell Forest Borough Council
Brighton & Hove City Council
British Association of Leisure Parks, Piers & Attractions
British Beer & Pub Association
British Holiday & Home Park Association
British Hospitality Association
British Institute of Innkeeping
British Marine Federation
British Retail Consortium
Broadland District Council
Business in Sport & Leisure
Camden Borough Council
Cardiff County Council
Central Council for Physical Recreation
Chorley Village Hall
Cinema Exhibitors Association
Circus Arts Forum
Committee of Registered Clubs Association
Community Matters
Country Landowners Association
Croydon Borough Council
Department for Culture, Media & Sport Licensing Policy Team
Federation of Licensed Victuallers
Federation of Licensed Victuallers (Wales)
Federation of Small Businesses
Gordon Marsden MP
Greater London Authority
Guild of Master Victuallers
Hammersmith & Fulham Borough Council
Hampton Review Implementation Team (Cabinet Office)
Hillingdon Borough Council
Historic Houses Association
Hounslow Borough Council
Inner Temple
Isles of Scilly Council
Isle of Wight Council

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Kensington & Chelsea (Royal) Borough Council
Knockhatch Adventure Park
Live Music Forum
Liverpool City Council
Local Authority Co-ordinators of Regulatory Services
Local Government Association
Manchester City Council
Memorable Cheeses
Middle Temple
Musicians Union
National Association of Kebab Shops
National Association of Local Councils
National Campaign for the Arts
National Operatic & Dramatic Association
New Forest District Council
Nottingham City Council
Oswestry Borough Council
Pavillion Court Sports & Social Club
Romiley Cricket Club
Rural Shops Alliance
Sandwell Metropolitan Borough Council
Small Business Council
South Kesteven District Council
Tameside Metropolitan Borough Council
Theatrical Management Association/Society of London Theatres
Tourism Alliance
Tower Hamlets Borough Council
Vale of Glamorgan Council
Visitor Attractions Forum
Wandsworth Borough Council
Warrington Borough Council
Waverley Borough Council
Welsh Council for Voluntary Action
Welsh Local Government Association
Welsh Music Foundation
Westminster City Council
Weymouth & Portland Borough Council
Wine & Spirits Trade Association
York (City) Council

SUMMARY OF STAKEHOLDER ISSUES

The following provides a summary of the key issues raised with us during the Interim Review consultation process. These comments helped inform our initial recommendations and longer term programme of work. We are reflecting comments made, but have not made a judgement on any of the individual issues. We have also kept in mind the four objectives of the Licensing Act 2003 (the prevention of crime and disorder; public safety; the prevention of public nuisance; and the protection of children from harm).

What the annual fee covers

- A number of stakeholders have told us that they are unsure what they get in return for the increased fees under the new regime in comparison with what they paid under the previous system, and about the deregulatory benefits of the new regime. In particular, those sectors that say they envisage little or no inspection or enforcement under the new regime seek justification of 'what the extra money buys?' There are also some concerns about the emphasis shifting from an annual fee for e.g. licensing authority inspection and enforcement, to implicit consideration that enforcement under the Licensing Act 2003 will dovetail with broader Government initiatives.

Annual Fee Date

- A number of stakeholders told us that it would be simpler if there was an annual payment date for the Annual Fee. Views on the date ranged from the anniversary of the Second Appointed Day (24 November 2005) to a date that coincided with the start of the local government financial year in April.

Non payment of annual fee

- Stakeholders have told us about difficulties surrounding the civil recovery of debt for the non payment of the Annual Fee.
- We understand that in setting the fees, Ministers were keen to ensure that the Annual Fee would provide for legitimate licensing authority inspection and enforcement activity etc, but that there should not be a perception that payment of the Annual Fee is a licence renewal process. In addition, the 2003 Licensing Act provides for the collection of debt through the legislation. For example, the Act provides that any Annual Fee which is owed to a licensing authority may be recovered as a debt by that authority. When debts are recovered, authorities can make arrangements both for the recovery of the debt and recovery of the costs incurred in that process. We understand that the Ministers considered that it was unnecessary to provide for the suspension of the licence pending payment.

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Licensing Authority Income and Costs

- Information provided by stakeholders indicates that net expenditure in 2004/05 was significantly higher than they anticipated, partly as a result of the delay in the receipt of licence fee income. Most applications were delayed until after 31 March 2005, the year end of the local government financial year, and most of the fee income was received in 2005/06. As well as a net deficit in 2004/05, many authorities are also expecting to have a net deficit over the two year period including 2005/06. Fuller consideration of this issue is provided in Section 3 of the report.
- Some fee payers have told us that they would not expect to see any shortfall in costs clawed back from them at a later stage.

Local Authority Inspection and Enforcement regimes

- Implementation of the recommendations of the Hampton Review of regulation is being led by the Better Regulations Executive in the Cabinet Office. A new concordat is under development between central and local government regulators. We are grateful to the Better Regulation Executive for sharing some of their early thinking with us. We will look further at the issue of local authority inspection and enforcement in the context of the Better Regulation Executive's work.
- Some stakeholders have said they believe that an effective programme of inspection and enforcement ensures compliance, drives up standards, allows problems to be identified and rectified at an early stage before they develop into more serious crime and disorder. And that best practice from across the country has shown that inspection and enforcement activity is at its most effective when it is undertaken at a multi-agency level. Some stakeholders have said that the Licensing Act takes no account of the additional burden that this enforcement activity places on the Police Service and it is therefore vital that local authorities are able to play their full part in inspection activity. The level of fees needs to be set so that authorities can employ their own enforcement teams or buy in these services from other providers.

Model for Calculating Fees

- We understand that in setting the fees, Ministers said that they preferred non-domestic rateable value (RV) as the means for allocating premises to fee bands because it :
 - appears fair in ensuring that larger businesses pay more than smaller businesses;
 - is an indicator of business size and turnover
 - takes account of the location of the business
 - reflects higher overheads falling on local authorities in certain areas
 - is reviewed regularly
 - is a known quantity with data readily available to applicants and licensing authorities
 - has its own appeal mechanism

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- A range of stakeholders are supportive of a national, unified system and say that centrally set fees will remove the inconsistencies in fee levels that currently exist and will create a fair and level playing field across England and Wales. Whilst some acknowledge that RV does not provide the ideal mechanism for calculating fees, they recognise that there may not be a better model on which to determine the fee scales. Others firmly consider it is not the best mechanism for calculating fees for the different types of applicants. However, no universally applicable alternative solution has been supplied so far.
- Contrary views included :
 - the nature of the fee structure displays a lack of recognition and understanding of local cost differences and resource demands between licensing authorities that ultimately impact on licensing costs. Balanced cost recovery will never be achieved on a local level with a rigid one-size-fits-all fee structure. There are clusters of inequality around the country where neighboring authorities, with similar numbers of premises licenses to process, have significantly varying income levels due to the RV ratings in their area.
 - RV as the basis for the fee scale assumes that the biggest premises have the largest rateable value. What that fails to take into account is premises with high rateable values are often places where licensed activity is marginal. This means, in effect, that the premises where licensed activity is marginal will subsidise those where alcohol is the main activity. The distribution of premises within the fee structure is also heavily weighted towards the lower fee bands.
- The fee could be based on, or at least weighted by:
 - capacity
 - late night opening (hours of)
 - whether the premise is mainly or solely involved in licensed activity – risk assessment,
 - the 'Polluter Pays' concept (the premises that cause the problems should pay higher fees than others)
- There is a view that the fees regime penalises (a) smallest businesses & (b) businesses with a small proportion of sales from alcohol. These stakeholders would favour instead a system based on turnover, and linked to the Business Rate Relief Scheme. But there was also an acknowledgement that this is not necessarily a solution for all small businesses.
- Alternatively, they have suggested small businesses could either have a specially reduced and/or capped fee or at least be placed in the lowest fee category. Fees could be based on proportion of audited alcohol sales/profit.
- The licence fee is not based on the rateable value of the part of the business premises selling alcohol but on the premises as a whole. Some stakeholders believe that the current structure adversely affects small business in favour of larger businesses which receive their main income from alcohol sales. They would like the link between RV and fee banding

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reconsidered so as to ensure that fees are calculated on the proportion of the licensed activity of the business (i.e. the hereditament). Seasonal sales activity should also be taken into account.

- Some stakeholders believe there should be an exemption for businesses that do not admit customers to their premises. The exemption should also exclude the need to advertise and advertising fees – advertising draws attention to what was a hitherto anonymous building.

Costs of Transition

- Stakeholders have told us that:
 - transition costs significantly exceeded their initial expectations because of the late issue of Regulations and associated guidance and because of the very prescriptive requirements they contain.
 - the effect has been that few applications for conversions/variations were received by licensing authorities in the first three months following the first appointed day in February 2005 and the vast majority were received in the last few weeks prior to 6 August deadline for grandfather rights. They say this distorted the demand pattern, requiring additional staff to be employed and additional overtime costs to be incurred. However, we are not fully aware of what those extra staff did in the interim period.
 - a significant amount of preparation work was undertaken by fee payers prior to the 1st Appointed Day (e.g. drafting premises plans) based on the draft regulation. Some of this work was unnecessary and/or incorrect due to amendments once the Regulations were laid.
- We are aware that this issue was raised directly with DCMS during spring 2005. In response at the time, DCMS said that whilst recognising that the late laying of the regulations was not helpful, it did not think that it could be reasonably argued that this was having any effect then on the flow of applications several months after the 1st Appointed Day. It might have explained some initial delay, but not any prolonged period. DCMS took the view that a significant publicity campaign would eliminate the problem and that commenced in May 2005.

Cost and simplification of the application process

- Stakeholders have said they believe the associated costs of applications have exceeded their expectations because of, for example, much greater use of professional assistance for drafting premises plans and on hearings and appeals than they originally anticipated; because of the newspaper advertising requirements; and because of the complexity and number of the applications forms required for responsible authorities.
- We understand that concerns about the requirements to advertise applications were raised directly with DCMS as part of the public

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consultation on the regulations. We are aware that DCMS said that these requirements were necessary in order to meet the legal obligations placed on Ministers by the Licensing Act 2003 when making the regulations. In particular, Ministers were concerned to ensure that the opportunities for interested parties, including local residents, to exercise their new rights to intervene in licence applications were maximised. [We also understand that the costs of advertising requirements have not exceeded DCMS's expectations as outlined in the Regulatory Impact Assessment which was published with the regulations. This states that the cost of newspaper advertising would be between £28 and £56 million during the period of transition, and over 10 year four times the previous licensing regime.]

- On forms, we understand that in previous responses to this issue, both during the setting of regulations and subsequently, the DCMS position has been that the current processes compare well with the total number of application forms required over time under the six previous regimes which govern licensable activity addressed by the Licensing Act 2003, because once done under the new regime, they should never need to be completed again unless a licensee's circumstances change. For example, we are aware that under the Licensing Act 1964 alone well over 120 forms and notices were utilised by the courts. Three of the forms provided by the 2003 Act regulations (conversion and variation of a premises licence, conversion and variation of club premises certificate, and conversion to a personal licence) may only be used during the period of transition and will be redundant from 24 November 2005. We understand that while some of the forms may appear long because they need to cover every possible combination of activities by a large variety of businesses and non-commercial organisations, in practice very few applicants would have had to complete more than a third of the form. However, this should be made explicit.

Temporary Event Notices (TENS) – threshold in terms of numbers permitted, numbers of people and block bookings, plus a general reduction in costs

- Stakeholders have told us they believe that if the limit of 12 TENS was raised to e.g. 24 that would provide flexibility to operate without restriction - that they would not have to turn bookings away and there would less need for a full licence and associated costs of that. They would also like to be able to block-book TENS.
- We understand the issue is in no small part about the capacity and willingness of village halls, community facility and other voluntary committees to take on the responsibilities of the Licensing Act. Many will wish to pass these responsibilities on to those who are managing the events and who will need to apply for a TEN. This issue also about the effect of the TENS regime on commercial operators and licensing authority inspection and enforcement activity.
- We are aware that DCMS completed a formal 3 month consultation in October 2005 on Permitted Temporary Activities and the TENS Regulations.

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The consultation was primarily about the forms and procedures. While it was not about any formal proposals to change the existing limits on the use of TENs, it did, however, indicate that DCMS would consider views about the limits from all respondents, as that would inform its future consideration of the matter.

Variability of Licensing Authority approaches to the new regime

- Some stakeholders have told us of their concerns about the interpretation and variation of approach by different licensing authorities. They believe that has impacted on costs, for example, businesses with a number of licensing premises that are dealt with by different licensing authorities, the inclusion of different enforcement regulations as conditions of licence, and the variability in dealing with appeals and hearings.

Not-for-profit organisations and events

- Stakeholders have told us that they believe that changes to the system for the provision of alcohol have created a disproportionate administrative and financial burden on volunteers who run village and community halls etc and registered clubs. We have been presented with a number of alternative approaches which we will consider more fully and in the round of the fee regime overall.
- Stakeholders have also told us they believe that it is unfair that not for profit sports clubs should be treated in the same way as commercial premises/activities. They say the majority of sports club bars are open for limited periods with small turnover, and have no association with anti-social behaviour. All surplus generated through licensing activity is invested back into sport. We have been presented with a number of alternative approaches which we will consider more fully and in the round of the fee regime overall.

Circuses

- Stakeholders have advised us that the fee requirement for this art form is the same as any other licensable venue. However, unlike a fixed building-based venue requiring a single licence, they will have to apply for a new licence every time they perform at a new venue (together with the associated costs and fees). Because the nature of their performance cycle and audience size, it means that they cannot apply for a Temporary Events Notice, so each of these applications must be for a full premises licence.

Threshold for events and festivals (over 4999 attendees) triggering higher fee

- Some stakeholders believe that fees could be waived for not-for-profit community, cultural events and festivals because without that flexibility, some of the most significant events that take place throughout the year will not be able to afford to continue under the current fees structure.

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- Some stakeholders believe that licensing authorities' ability to take a flexible approach to the application of fees should be maintained, particularly because under the previous Public Entertainment Licence system, community or not-for-profit, charitable or educational events, (regardless of size) were eligible for nominal or waived fees.
- Some stakeholders believe that justification was needed for the level of fees at the higher end of the capacity scale. Their view was that fees scales should be set on a pro-rata basis to actual licensed capacity rather than on an arbitrary basis. The licensed capacity should only apply to the curtilage of the licensed area not the entire site.
- Some stakeholders said they believed the fees do not reflect the cost to the licensing authority in arranging the licence as they are fixed to footfall and not the complexity of the event. For example, we were told that large-scale events that have been held for a number of years operate essentially from the same agreed event plan and therefore become easier to administer than a new event for the same or less amount of people.

PANEL MEMBER DETAILS

Sir Les Elton (Chair)

Sir Les Elton is non-executive Director Port of Tyne Authority, visiting Professor, Business School, University of Newcastle upon Tyne, associate with Sovereign Strategy Ltd and consultant to several firms and public bodies. From 1984 – 2004 he was the Chief Executive of Gateshead Council & Clerk to Northumbria Police Authority.

Clive Allen

Executive Head of Corporate Services, Surrey Heath Borough Council (Camberley). Duties range through the finance functions of Council Tax, National Non-domestic Rate accountancy, audit as well as legal and support - a service which includes licensing. Clive Allen was previously Senior Assistant Director of Financial Services, Woking Borough Council, and Assistant Chief Internal Auditor, London Borough of Camden.

Duncan Bowdler

Head of Trade Liaison, the Co-operative Group - the UK's largest co-operative retailer operating 1,800 food stores, nearly all with liquor licenses. He is also Chair of the Co-operative Retail Legislation Group and chair of the Association of Convenience Stores Government Relations and Campaigns Committee.

Francis Patton

Customer Services Director, Punch Taverns - the UK's second largest pub company, with responsibility for all key stakeholders, including retailers, employees, government, the city and the media. Francis Patton was formerly Commercial Director at Punch, having started his career with Allied Domecq as an area manager responsible for leased and managed public houses in the Yorkshire region.

Brian Wilson

Group Director (Thematic Studies & Inquiries) of the Commission for Rural Communities (an operating division of the Countryside Agency), the remit of which is to be a rural advocate, expert adviser and independent watchdog in England. Has also had a period as Acting Executive Director. Previously, Brian Wilson led the Countryside Agency's work on rural services, transport, housing and social inclusion, as well as leading the Agency's development of "rural proofing", which helped deliver a Rural White Paper commitment that all policy making should take account of rural needs. At one of the Agency's predecessor organisations, the Rural Development Commission, he was Head of Research. He has also held research posts at the (then) Department of the Environment, working mostly on inner city regeneration.

Paul Woods

City Treasurer, Newcastle City Council. Paul Woods is also Treasurer to the Tyne & Wear Passenger Transport Authority, and a non-executive Director of NEXUS (Tyne & Wear Passenger Transport Executive). He is also Treasurer to the Newcastle Theatre Royal Trust. He is the Chair of Finance Group of the Association of North East Councils and is a technical advisor to the LGA on the current Local Services Review. He has significant technical experience of capital strategy and programme management and technical work with Revenue Support Grant distribution formulae.