

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 17th September 2013
Report of: Head of Public Protection and Enforcement
Subject/Title: Notice of Motion - Late Night Levy
Portfolio Holder: Councillor Les Gilbert

1.0 Report Summary

- 1.1 This report deals with the Motion to Council on the introduction of a '*Late Night Levy*', referred to Cabinet at the 18th July 2013 Council meeting.

2.0 Recommendation

It is recommended that:

- 2.1 Cabinet ask Licensing Committee to consider the introduction of a Late Night Levy in accordance with the existing Statement of Licensing Policy.

3.0 Reason for Recommendation

- 3.1 The introduction of a Late Night Levy is a matter for Licensing Committee as the 'licensing authority' and is a discretionary power for them to exercise.

4.0 Wards Affected

- 4.1 All Wards.

5.0 Local Ward Members

- 5.1 All Ward Members

6.0 Policy Implications

- 6.1 Consideration of a Late Night Levy will impact on:

The Council's agreed three year plan in particular, Outcome 2 concerning a strong economy, Outcome 4 ensuring a sustainable environment and Outcome 5 helping people to live well and for longer

7.0 Financial Implications

- 7.1 Cheshire Constabulary will receive at least 70% of any net levy revenue. The licensing authority can retain up to 30% of the net levy revenue to fund other activities besides policing. There are restrictions on the types of services that licensing authorities can fund with the levy revenue to ensure that the levy is spent on tackling alcohol-related crime and disorder and services connected to the management of the night-time economy – for example, Domestic Abuse services, Street Angels and Street Pastors and additional Streetscape activities. The licensing authority will be able to deduct permitted administration, collection and enforcement costs from the gross levy revenue.
- 7.2 The Council issues around 1,400 premises licences each year, of which approximately one third operate after 12am. With an estimated average levy charge of £900 p.a., there would be a potential total annual income of circa £400k to be split between the Police and CEBC.
- 7.3 This does not take account of any proposed exemptions which the Council may be minded to offer. It is possible that premises may decide to vary, free of charge, their existing licence to bring them below the levy times reducing the potential income still further.

8.0 Legal Implications

- 8.1 The introduction of a Late Night Levy is a matter for Licensing Committee as the 'licensing authority' and is a discretionary local power for them to exercise. It must cover the whole of the licensing authority's area. The licensing authority will need to choose the period during which the levy applies every night, between midnight and 6am, and decide what exemptions and reductions should apply. Premises that do not wish to operate in the levy period will be able to make a **free** minor variation to their licence before the levy is introduced.
- 8.2 The Council is currently consulting on an updated 'Draft Statement of Licensing Policy' which includes the power to introduce a Late Night Levy.

9.0 Risk Management

- 9.1 The Council also needs to consider the impact of such a charge on the late night economy as a whole including 'ancillary' businesses such as the Private Hire and Hackney Carriage trade.
- 9.2 The Council would need to consult with Cheshire Constabulary along with other stakeholders as part of a statutory consultation process before seeking to introduce a borough-wide levy.

10.0 Background and Options

10.1 On 18 July 2013 Council considered the following motion;

‘That the Cabinet investigate the cost and likely income of imposing a levy on those establishments which sell alcohol after midnight in order to help fund the cost of control of the late night economy’

The motion stood and was referred to Cabinet.

10.2 The late night levy will enable CEBC as the licensing authority to raise a contribution from late-opening alcohol suppliers towards policing the night-time economy.

10.3 The levy seeks to charge businesses that supply alcohol late into the night for the extra enforcement costs that the night-time economy generates for both the police and the council.

The Council may not wish to unfairly penalise premises which are not part of the wider night-time economy, and licensing authorities will therefore have the discretion to offer an exemption from the levy to certain categories of premises e.g.

- Theatres and Cinemas & Bingo Halls
- Community Amateur Sports Clubs
- Community halls, pubs and clubs
- Country village pubs

10.4 The amount of the late night levy will be set at a national level. The charge is calculated according to rateable value in the same way as the existing licence fee and the levy charge will be collected alongside the annual licence fee. The following charges will apply to the levy:

Rateable Value Bands (based on the existing fee bands)	A No rateable value to £4,300	B £4,301 to £33,000	C £33,001 to £87,000	D £87,001 to £125,000	E £125,001 and above	D x 2 Multiplier applies to premises in category D that primarily sell alcohol	E x 3 Multiplier applies to premises in category E that primarily sell alcohol
Annual Levy charge	£299	£768	£1,259	£1,365	£1,493	£2,730	£4,440
<i>Existing Annual Licence Fee</i>	<i>£70</i>	<i>£180</i>	<i>£295</i>	<i>£320</i>	<i>£350</i>	<i>£640</i>	<i>£1050</i>

11.0 Access to Information

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