

<p>Non-Executive Report of the:</p> <p><b>Licensing Committee</b></p> <p>14<sup>th</sup> March 2019</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> David Tolley Head of Environmental Health and Trading Standards Directorate of Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Late Night Levy: Annual Review</b></p>	

<b>Originating Officer(s)</b>	Tom Lewis Team Leader of Licensing and Safety
<b>Wards affected</b>	All wards

## 1. Executive Summary

- 1.0 The London Borough of Tower Hamlets (the Council) adopted the Late Night Levy which came into effect on 1<sup>st</sup> January 2018. From that date, any licence holder permitted to sell alcohol between 00:00 hours (midnight) and 06:00 hours (6am) is required to pay the Late Night Levy. All income raised by the levy must fund activities and resources which benefit the late night economy.
- 1.1 The legislation governing the Levy requires that 70% of the revenue must go to the Police and the council may retain 30% of the revenue. However during the consultation for the decision to adopt the levy, the Council obtained an agreement with the Deputy Mayor for Police and Crime (MOPAC) that all of the revenue raised by the levy could be retained by the Council and that the decision of how to spend the revenue would be made by the Community Safety Partnership (CSP).
- 1.2 As to abide by section 130 (5) (b) of chapter two of the Police Reform and Social Responsibility Act 2011, the licensing authority must publish an end of year statement of its estimate of the amount for deductions permitted for relevant expenses. This report is to outline what initiatives the levy revenue has funded and the achievements of these initiatives.

## 2. Recommendations:

The Licensing Committee is recommended to:

- 2.1 Note the work achieved via the levy revenue, the income received and the expenditure.

### **3. REASONS FOR THE DECISIONS**

- 3.1 This is a noting report to outline the annual report for 2018 of income received, expenditure and initiatives funded by the levy.

### **4. ALTERNATIVE OPTIONS**

- 4.1 This is a noting report.

### **5. DETAILS OF THE REPORT**

- 5.1 The levy charge is set by Central Government and is based on the rateable value of the premises. See table below for charges.

Rateable Value	Annual Levy
Band A (Nil - £4,300)	£299
Band B (£4,301-£33,000)	£768
Band C (£33,001-£87,000)	£1,259
Band D (£87,001-£125,000)	£1,365* (£2,730)
Band E (£125,001 and above)	£1,493* (£4,440)

*\*Those that are band D or E where the main use is the sale of alcohol for consumption on the premises will pay an additional fee.*

- 5.2 Most premises in Tower Hamlets are rated as band B or C.
- 5.3 The levy charge is payable at the same time as the Licence Annual Fee is due which falls annually from the date the premises licence was first granted.
- 5.4 During the transitional period for the levy, the council offered a cost-free minor variation to all licenced premises who wished to reduce their licensed hours for the sale/supply of alcohol to 00:00 hours or earlier to reduce liability to pay the levy upon its introduction on 1<sup>st</sup> January 2018. This cost-free minor variation must have been received between 25<sup>th</sup> September 2017 and 18<sup>th</sup> December 2017. Any minor variation applications received after this time, the statutory fee of £89 as stated under the Licensing Act 2003 is required to ensure that the application is valid.

5.5 This resulted in a total of 44 premises who applied and were granted to reduce their licensable hours for sale/supply of alcohol to 00:00 hours or earlier prior to the levy coming into force on 1<sup>st</sup> January 2018.

## 6. INCOME

6.1 Income received by the levy in Year 1 is broken down by quarter below:

PERIOD	Late Night Levy Income
2017/18 Q4	£38,805
2018/19 Q1	£46,787
2018/19 Q2	£41,262
2018/19 Q3	£124,981
TOTAL	£251,835

## 7. EXPENDITURE

### 7.1 Deductions for Administration of the Levy:

The Council is entitled to deduct its administration costs from the introduction and management of the levy. However it was decided that Council would waive these costs so that all of the revenue could be used to benefit the night time economy within the borough.

Therefore the amount that has been deducted from the levy income for Year 1 is Zero.

### 7.2 Spend on Initiatives:

The Community Safety Partnership (CSP) was presented with a number of costed options for initiatives to be funded by the levy revenue. The CSP decided to spend the revenue of the following options:

#### Agreed Commitments

- Additional Police Officers on patrol between 11pm to 3am £40,500,
- Street Pastors, £64,000 (total annual cost),
- Additional Licensing Officer £50,000,
- Commitment to an additional Noise Officer, £50,000.

Total agreed expenditure on the above Initiatives = £140,500

\*this excludes the Street Pastors who have not yet started.

Surplus brought over to Year 2 = £111,335.

Actual expenditure 2018:

- Additional Police Officers on patrol between 11pm to 3am = £1067.19 (December 2018),
- Street Pastors: £0
- Additional Licensing Officer: £10,012,
- Projects: £0 (Costs covered in Licensing Officer salary).

### 7.3 **Levy Initiatives Roles and Outcomes**

Additional Police Patrols Role:

- Reduction of crime and disorder link to licenced premises.
- Increase public safety.
- Potential reduction in minor crimes due to more police presence.
- Potential decrease in street urination.

The Additional Police work a shift pattern of 4 Officer (1 Police Sergeant and 3 Police Constables) working 2 night per week since late December 2018. They are tasked via the Licensing Authority through a multi-agency forum that includes Licensing Police, Environmental Health and Trading Standards (Licensing, Noise, and Trading Standards), also invited are all other Responsible Authorities, e.g. London Fire Brigade.

Additional Police Outcomes achieved:

Licensed Premises engaged with = 41 (Dec 8, Jan, 33)

Arrests = 4

Though none of these were linked to licensed premises, it is clearly still delivering the outcomes of increasing public Safety and preventing crime and disorder within the borough.

For example one of the arrests was in relation to a GBH and offender having an offensive weapon (knife).

Public assisted/moved on = 3

Generally these have been for drunk and disorderly and begging, however this is clearly assisting for example a gentleman was referred on to emergency services for being drunk and wandering into the road. Police also assisted a set of licensed premises in ejecting a lady from premises in the borough who was too drunk.

Licensing Breaches identified = 6

These have led to warnings being given and in one case an Application for Review of a Premises Licence for the Queen's Head, Flamborough Street being made by the Licensing Authority.

#### 7.4 **Additional Licensing Officer role:**

- Coordinate (Task) the Levy Initiatives,
- Increase in Best Bar None membership,
- Increase in compliance with licensing,
- Better engagement with licensed businesses, with ability to promote national initiatives such as Ask Angela, or Operation Make Safe, Responsible Retailer.

This post manages the Late Night Levy coordinates the Initiatives funded by the levy. This role also includes attending Pub Watch Meetings, Liaison with the Best Bar None Scheme, which this year was a runner up for Best over All Scheme Nationally and invited to the Award Ceremony within the House of Lords.

The role also attends the multi-agency forum to provide a feedback between the levy initiatives weekly outcomes.

#### **Outcomes achieved:**

Additional Police Tasking set up and running as per above, with feed in from Pub Watch Meetings.

This has resulted in intelligence being received via Licensed Premises through the pub watches and in one case an areas of potential street urination hotspot was identified and visited on a number of occasions by the Additional Police.

Promotion of local and national campaigns – prior to Christmas this role successfully promoted Drink Aware’s national festive campaign aimed at reducing alcohol related harm over the festive period. This involved engagement with the Pubwatch members and Best Bar None Premises to Drink Aware’s Posters within their premises. This was well received with many licensed venues within the borough displaying these posters in their premises over the festive period:



In partnership with Communication Team and the Tower Hamlets Enforcement Officers (THEOs), the Licensing Officer produced a poster campaign aimed at reducing Street Urination, intended to be displayed in licensed premises over the festive period. This was a selection of four different slogans and accrued an expenditure figure of £0, as the cost of

producing the poster was included in the salary of the Licensing Officer and there had been no cost for printing as the campaign had been distributed digitally. This campaign was well received by members of Pubwatch and Best Bar None Premises and work is now underway to create and promote a permanent poster campaign to be used by Licensed premises.



Though it is hard to gauge the success of these campaigns, it has been well received by the Licensed Premises attending the Pub Watches and it would have had a positive effect on the night time economy during the festive period. The festive versions received good quality feedback to build upon for the permanent poster.

#### **4. EQUALITIES IMPLICATIONS**

##### **4.1** These late night inspections will ensure:

- That Tower Hamlets remains a safe and cohesive Community and a great place to live by dealing accordingly with offending premises and ensuring compliance.
- It ensures it's a fair and prosperous community by ensuring unlicensed premises are dealt with accordingly and that licensed premises prosper within their permissions granted.

#### **5. OTHER STATUTORY IMPLICATIONS**

##### **5.1** This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.

##### **5.2** **Best Value Implications**

This work will ensure that licence fees that are due to the Council under the Licensing Act 2003 are received. Those businesses that do not submit their licensing fees will have their licences suspended.

### 5.3 **Environmental considerations**

There are no adverse impacts identified.

### 5.4 **Risk Management**

The Council will be at risk of legal challenge if its decision making process on formal action is not transparent and evidentially based in relation to non-compliance of licence conditions.

The impact of business operating without a licence has a potential impact on the local community.

### 5.5 **Crime and disorder reduction implications**

The enforcement of licence conditions and prosecution of offending businesses both licensed and unlicensed. This assists with the reduction of anti-social behaviour and controls the inappropriate use of alcohol sales and consumption, in addition to identifying localised disturbances around late night refreshment premises.

## 6. **COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 This report updates on the work achieved by the Late Night Levy revenue, income received and expenditure.
- 6.2 Income received in Year One is £251,835. The council has waived its entitlement to deduct administration costs so that all revenue could be used to benefit the night economy within the borough.
- 6.3 The council obtained agreement that all revenue raised by the levy could be retained by the council and that the decision to spend the revenue would be made by the Community Safety Partnership (CSP).
- 6.4 The CSP have committed to spend £205,500 on agreed initiatives of which the Year One allocation is £140,500. The balance of £111,335 to be carried forward to Year Two.
- 6.5 Total spend against the committed CSP allocation for Year One is £11,079 with the remaining balance of £129,421 also being carried forward to Year Two.
- 6.6 Total committed allocation carried forward to The Year Two is £194,421 in addition to the uncommitted balance of £46,335.
- 6.7 The Late Night Levy is a permanent arrangement therefore all posts are recruited on a permanent basis.

	<b>CSP Allocation £</b>	<b>Agreed Year One Allocation £</b>	<b>Actual Spend to date £</b>	<b>Balance of Allocation £</b>
Additional Police	40,500	40,500	1,067	39,433
Street Pastors	65,000	-	-	65,000
Additional Licensing Officer	50,000	50,000	10,012	39,988
Noise Officer	50,000	50,000	-	50,000
Total Allocation	205,500	140,500	11,079	194,421
<b>Balance C/F</b>	<b>46,335</b>	<b>111,335</b>	<b>240,756</b>	<b>46,335</b>

## **7. COMMENTS OF LEGAL SERVICES**

7.1 Section 130(5)(b) of the Police Reform and Social Responsibility Act 2011 states that a licensing authority must publish in respect of each levy year after the end of the year, a statement of the net amount of levy payments for the year, showing in particular “*the net amount of levy payments*” of a licensing authority, calculated in accordance with regulations, which represents—

- (a) the aggregate amount of payments to the authority in respect of the levy that are attributable to that period, less
- (b) the aggregate amount of expenses of the authority attributable to that period that are permitted.

7.2 As stated in paragraph 1.1 of this report, the legislation governing the Levy requires that 70% of the revenue must go to the Police and the council may retain 30% of the revenue. However during the consultation for the decision to adopt the levy, the Council obtained an agreement with the Deputy Mayor for Police and Crime (MOPAC) that all of the revenue raised by the levy could be retained by the Council and that the decision of how to spend the revenue would be made by the Community Safety Partnership (CSP).

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- Full Council Report 20<sup>th</sup> September 2017:  
Determination of Late Night Levy (Adoption of the Levy).  
<http://democracy.towerhamlets.gov.uk/ieListDocuments.aspx?CId=309&MID=7668#A177863>

**Appendices:**

None.

**Local Government Act, 1972 Section 100D (As amended)**

**List of “Background Papers” used in the preparation of this report**

**List any background documents not already in the public domain including officer contact information.**

- NONE.

**Officer contact details for documents:**

- N/A