

<p>Non-Executive Report of the:</p> <p><b>Licensing Committee</b></p> <p>25<sup>th</sup> May 2021</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> David Tolley Head of Environmental Health and Trading Standards</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

- 1.1 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.
- 1.2 The legislation governing the Levy requires that 70% of the revenue must be paid 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 through the Community Safety Partnership (CSP).
- 1.3 Section 130 (5) (b) of chapter two of the Police Reform and Social Responsibility Act 2011, requires that 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 and to make any comments for consideration.

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

3.1 This is a noting report to outline the annual report for 2020/21 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 so that they were not liable to pay the levy upon its introduction on 1<sup>st</sup> January 2018. This cost-free minor variation was allowed between 25<sup>th</sup> September 2017 and 18<sup>th</sup> December 2017. Any minor variation applications received after this time had to pay the statutory fee of £89, as stated under the Licensing Act 2003, in order for the application to be valid. As a result of this cost-free minor variation 44 premises 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.

- 5.5 Total Income received by the levy in Year 3 (2020/21) was £238, 134.20.
- 5.6 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 the revenue could be used to benefit the night-time economy within the borough.
- 5.7 Therefore, the amount that has been deducted from the levy income for Year 3 is Zero.
- 5.8 In year one the Community Safety Partnership (CSP) was presented with a number of costed options for initiatives to be funded by the levy revenue. This is shown as the joint committed and actual spend in year 3 (2020/21):

5.9 Committed/actual spend for year 3

- Additional Police Officers on patrol between 11pm to 3am - £34, 419.03  
\* Annual committed spend is £72, 760.00.
- Street Pastors - £12, 366.73.  
\*Annual committed spend is £64, 000.
- Officer to Manage the Scheme - £37, 491.00.  
\*Annual committed spend is £50, 000.
- Additional street cleansing - £0
- Portable Urinal placed in the borough during the evening/night - £63, 811.00
- Conflict awareness training Licensed Premises - £7,000 (training for maximum of fifty people)  
\*due to the pandemic this has not taken place in 2020/21, therefore will be take place in year 4 (2021/22).

Total committed/actual expenditure on the above Initiatives = £155, 087.76

Estimated Surplus to into year 4 is £451, 778

5.10 Effect of the Pandemic

Due to the Coronavirus Pandemic a number of premises have not paid their levy charge. At the time we agreed not to suspend their licences for failing to pay this charge. This was because the Business Restrictions were such that they were not able to trade beyond 00:00 hours. This means that the amount collected for year 3 is likely to be less than what it would have been. We are now in the process of ensuring all premises are up to date with the levy charge.

The Coronavirus Pandemic has also meant that certain initiatives stopped during all or parts of 2020/21. These include Street Pastors, Portable Toilets, Additional Street Cleaning, and the Conflict Awareness Training.

Due to the surplus we will be increasing the initiative for the following:

- Additional Police – increase from one to two or three units (serials) patrolling the borough Thursday to Saturday.
- Portable Urinals – increase of an additional urinal location, bringing the total to 3 urinals place out of the borough Friday and Saturday nights. This will be an additional cost of £675/weekend. With 3 urinals that would bring the total annual cost to £105, 300.

As well as the above we have benchmarked with other London boroughs to review what they are spending their Levy revenue on. This showed a number of other possible initiatives that could be considered, such as:

- Alcohol free campaign,
- Radio linked scheme for late night venues,
- Additional safety campaigns and training.

#### 5.11 Levy Initiatives Roles and Outcomes

#### 5.12 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.

- 5.13 The Additional Police work a shift pattern of 4 Officer (1 Police Sergeant and 3 Police Constables) working 3 night per week and additional Sunday nights where the Sunday precedes a bank holiday Monday. There is also the additional of four patrols to be tasked as part of quarterly projects, such as operations to tackle Nitrous Oxide Sellers outside late night venues.
- 5.14 The Police Patrols continue to be 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.
- 5.15 In year 3 (2020/21) approximately 150 tasked patrols of the borough were completed by the additional Police. Their role is to be a uniformed presence on the streets in order to deter crime and disorder and promote a safer night-time economy.
- 5.16 During certain periods of the lockdown the patrols were changed to have less officers and the patrols operated from Wednesday to Sunday. This occurred from May to July 2020 and then end October to end of November 2020. The patrols prevented at crime and disorder as well as Coronavirus Restriction Breaches, however, they also checked late night venues for signs of commercial burglary and/or vandalism.
- 5.17 There have been a number of positive outcomes from these additional Police Patrols, such as dispersing Raves, dealing with disorder, and drugs. Below are just a few more examples of the positive impact on the late-night economy

within the borough:

- Premises dealt with for Licensing Act 2003 breaches, and evidence gathered in relation to Health and Safety and Food Safety issues and this was passed to Council Officers who were able to follow this up.
- Number of actions taken against males found with drugs. This includes one arrest.
- Street urination identified and evidence gathered resulting in Tower Hamlets Enforcement Officers being able to serve an FPN's following the offence.
- Disorder and noise issues dealt with in relation to parties.
- Number of Coronavirus Restriction breaches dealt with some individuals being issued FPNs.
- Off-Licence assisted - dealing with male who was drunk and disorderly – male was arrested.
- Assisted in identifying drug café that was subsequently raided by police later in the year.
- Dealt with an Off Licence who continued to serve alcohol after licence was revoked by the Licensing Sub Committee.
- Street drinking stopped and drinkers dispersed around Columbia Rd.
- Nitrous Oxide seller disrupted.
- Offensive weapon found at Skylines Villages – weapon removed and destroyed.

#### 5.18 Street Pastor Patrols

Role:

- Increase public safety and wellbeing.
- Deter minor crimes due to uniformed presence.
- Deter street urination due to uniformed presence.
- Promote a safe late-night economy.

5.19 The Street Pastor Patrols work a shift pattern of a minimum of 4 Pastors who wear branded high visibility jackets. They are contracted to complete two patrols per week (Friday and Saturday) and are the 'friendly faces on the street'.

5.20 The Street Pastor Patrols are tasked similarly to the police 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.

5.21 Due to the Coronavirus Pandemic the Street Pastors have not been able, despite various easing of the restrictions throughout 2020/21, to commence patrols since they ceased in March 2020. This is due to the risk profile of the volunteers often being either older or higher risk group e.g. BAME. Therefore, even during parts of 2020/21 where restrictions permitted premises to open and sell alcohol within the levied hours the pastors felt the risk to their volunteers was too great to commence patrols.

#### 5.22 Enhanced Cleaning and Bins

Role:

- Enhanced Cleaning of street to reduce impact of night-time economy on day-time economy
- Reduce littering

5.23 Four Big Belly smart solar bins were purchased in Year 2 (2019/20) of the Levy. These were placed near Bethnal Green station and on Brick Lane. The bins are smart bins and have in built compactors to increase the amount of waste they can take before needing to be emptied. These bins are also solar powered and automatically sends a message to the collection service when it is needs to be emptied.

5.24 All bins have signs on them advising that they have been funded by the Licence Trade in Tower Hamlets and have remained in situ throughout 2020/21.

5.25 An enhanced programme of street cleansing across the Borough did not occur in 2020/21 due to the Coronavirus Pandemic. This initiative will recommence in Year 4 of the Levy (2021/22).

#### 5.26 Portable Urinal

Role:

- Discourage street urination in the borough.

5.27 Following the pilot project in Year 2 of the Levy (2019/20) a contract was agreed for two urinals to be placed in the borough every Friday and Saturday night. The locations are normally the corner of Sclater Street and Bethnal Green Road, near to Shoreditch High Street Station and Brick Lane opposite Jack the Clipper (178b Brick Lane). However, they can be moved to accommodate problems identified in other areas of the borough if required. The urinals are delivered to site on Friday and Saturday evening's and collected on the following morning between 4-5am to allow for street cleansing ensuring no negative impact on the day-time economy. They also have a sign on them that states "*this toilet has been provided on a trial basis and is funded by the Licensed Trade of Tower Hamlets. Any queries or issues relating to these should be directed to the Licensing Team Tel: 020 7364 5008 Email: [Licensing@towerhamlets.gov.uk](mailto:Licensing@towerhamlets.gov.uk)*".



5.28 With the new contract we were able to obtain an estimate each weekend as to the usage of the urinals which ranges from 560 people to 56.

#### 5.29 Late Night Levy Officer

Role:

- Coordinate 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, WAVE (welfare and vulnerability engagement) Training.

5.30 This post manages the Late-Night Levy coordinating the Initiatives funded by the levy. This role also includes attending Pub Watch Meetings, Liaison with the Best Bar None Scheme.

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

5.32 During year 3 of the levy (2020/21) as well as tasking the levy initiatives, e.g. Police, this post also provided support and information to late night venues on the Coronavirus Business Restrictions. This was done via normal pub watch meetings and later in the year via larger (“super bowl”) pub watch meetings. Information provided included Coronavirus Businesses Restrictions and Coronavirus Risk Assessments, Welfare and Vulnerability Engagement (WAVE) in the Christmas Period.

## 6 **EQUALITIES IMPLICATIONS**

6.1 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.

## 7 **OTHER STATUTORY IMPLICATIONS**

7.1 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.

### 7.2 **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.

### 7.3 **Environmental considerations**

There are no adverse impacts identified.

### 7.4 **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.

### 7.5 **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.



## **8 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 8.1 There are no financial implication directly emanating from this report which provides an update on the use of the night-time levy. In 2020/21 the levy generated income of £238,134 which was re-invested into the night-time economy. This scheme is on-going and the income collected will continue to be re-invested in this way, with schemes being approved through the community safety partnership.
- 8.2 The Council has seen a reduction in the late-night levy income as result of the Covid-19 pandemic. Any income lost is being reclaimed from the MHCLG and there will be no material impact on revenue budgets.

## **9 COMMENTS OF LEGAL SERVICES**

- 9.1 The late-night levy (“the levy”) is a power, conferred on licensing authorities by provision in Chapter 2 of Part 2 of the Police Reform and Social Responsibility Act 2011. This power allows licensing authorities to charge a levy to persons who are licensed to sell alcohol late at night in the authority’s area, as a means of raising a contribution towards the costs of policing the late-night economy.
- 9.2 The levy must cover the whole of the licensing authority’s area. However, the Council chooses the period during which the levy applies every night, between midnight and 6am, and decide what exemptions and reductions should apply from a list set out in regulations.
- 9.3 There are restrictions on the types of services that licensing authorities can fund with the levy revenue to ensure that levy is spent on tackling alcohol related crime and disorder and services connected to the management of the night-time economy. The Council can deduct permitted administration, collection and enforcement costs from the gross levy revenue.
- 9.4 The report at paragraph 1.3 refers to the annual publication requirements in respect of the levy
- 9.5 With regard to the levy revenue, the police are entitled to receive 70% of the net levy revenue. The Council can retain up to 30% of the net levy revenue to fund other activities besides policing.
- 9.6 When making decisions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty).