

Admiral Taverns' submission on the Southampton Late Night Levy

Admiral Taverns Limited ('Admiral') opposes the imposition of a Late Night Levy (LNL) in Southampton.

Admiral has nine public houses within Southampton City Council's jurisdiction three of which would be adversely impacted by the LNL proposal. The three directly affected sites will be:

- **The Juniper Berry**
- **The Waggoners**
- **The Dungeon House**

I will explain in detail the individual circumstances that apply to each of the above and why the one size fits all treatment that is so implicit in the LNL is so unfair.

The grounds of our objection are ;

1. The Levy is disproportionate and unfair.
2. The Levy does not support the aims mentioned in the initial Government consultations.
3. The Levy is unnecessary
4. The Levy fails to deal with the real causes of any issues in the night time economy of the area.

1. The Levy is disproportionate and unfair

The Juniper Berry

This site is in a residential area just outside the Town Centre. It has a licence to sell alcohol to 1am on Friday and Saturday but this is rarely used and most recently for a discerning private party. This is a locals' pub which does lunchtime food for shoppers and residents in the area. The Juniper has no history of disorder and thus is not a drain on the resources of the authorities.

Despite its' out of town status, the lack of issues at the premises and the fact that the later hours are rarely used, this site would still fall victim to the LNL and faces the unenviable choice of paying the Levy or accepting the income reduction. This despite the Juniper Berry not being a site which attracts the problems that the LNL is set up to fund nor is it a site that makes a great deal of additional income from the later hour which would make paying the LNL acceptable.

Compare this to sites which are busy all day and cause issues but close at or before midnight – these sites would attract no Levy. However, their customers who may have potentially drunk there move on and stay within the Night Time Economy. Consider also the comparison between a site like the Juniper Berry and supermarkets or off licences which sell low price alcohol as a sales driver. There alcohol is often sold in huge volumes without any measure of control as to how it is drunk as it is away from supervision and yet there would be no additional charge. Often the bars within the Night Time Economy are simply tidying up from pre-loaded customers who have drunk off-trade products before going out later to their venues.

It is unfair that a site like the Juniper Berry which is well managed and yet may trade until 1am occasionally is treated more harshly than supermarkets and sites that close earlier and yet may create far more issue in the late night economy.

The Waggoners Arms, Portswood Road

This is another site which would be similarly and quite ridiculously prejudiced by the Levy. The Waggoners has a licence to sell alcohol on Friday and Saturday to 00.20am. Again it is a well-managed site which does not create problems for the Relevant Authorities. Therefore, for the sake of 20 minutes it will be forced to adjust its way of business and reduce its hours to midnight thus losing income or pay £768. This is disproportionate and unfair.

The Waggoners for its additional 20 minutes is asked to pay the same contribution as a bar that is open from midnight – 6am.

While our position is that we oppose any LNL, if it is to be introduced the timings of the Levy should be changed to cover bars open from 2am to 6am. Bars open at this time are late night venues and more likely akin to a night club than a community pub. The LNL as it stands is ill-thought through and highly prejudicial to the smaller operators in an already difficult market. One size fits all is always unfair to the smaller sites.

If the Levy is passed it will be applied to every site in the Licensing Authority open after midnight whether they operate in an area of potential problems or not. A quiet community local open for an additional 20 minutes on the outskirts of the Town like the Waggoners is classed in the same light as the late night high street bar which deals in cheaper alcohol promotions and is a constant source of issues. That is unfair.

The Dungeon is a night club style bar which sells alcohol until 2am, however, it has no history of disorder and is bracketed with the larger sites that do cause issues in the locality.

A fairer solution would be based upon a polluter pays principle and those sites that are badly managed picking up the increased licensing charges.

Sector difficulties

The licensed trade is already beset with difficult challenges. The change in consumer habits caused by the smoking ban and cheap supermarket alcohol in particular has squeezed the revenue streams of pubs.

In addition, the costs of running a pub is ever increasing with rising statutory costs, ongoing minimum wage increases and inflationary utilities' costs in particular adding pressure on cost control.

Therefore, with pressure on income and rising costs, licensees have had to find additional ways of increasing their revenues. One of the options many licensees have opted for and base their business upon is the serving of alcohol beyond midnight.

This was a key precept of the Licensing Act and on which the Premises Licence fees were calculated across the UK. The proposed Late Night Levy now asks licensees to pay for that previously agreed privilege which is unfair.

On the basis that the Premises Licence fee for these sites has already allowed for these later hours is £180 (and is expected to rise significantly due to the prospective change to locally set licence fees), the idea that sites in this situation may be asked to pay a further £768 is both wholly disproportionate and expensive. It represents over a 500% increase in the Licence fee. This is disproportionate and excessive especially where in the case of the Juniper the later hours may seldom be used and the Waggoners where the site has only 20 minutes of the 6 hour Levy time.

Locally set licensing fees

In addition to the payments under the proposed Levy, licensed premises are facing an almost certain increase in the standard premises licence fee following the recent consultation in this area. When the Late Night Levy fee and the increased premises licence fees are collated, a pub opening such as the Waggoners until 12.20 am could be being asked to pay increased licensing fees of over £1,000 for the same rights as it now possesses.

Variations

There will be some licensees who have already paid Southampton Council for the extra hours as part of the licence variation process which with legal fees/newspaper advertisements can cost anywhere between £2,000 to £4,000 to achieve. This variation process has satisfied a committee of the worthiness of the site for the increased hours they operate. Now those licensees are being asked to pay another £768 per annum. If they reduce the hours following the imposition of the Levy there will be no refund of the monies the licensees paid for the variation.

Those tenants may have elected not to spend the money on the variation if the additional cost of the Levy were factored in at outset. This is unfair.

Old-style lock ins

It is not inconceivable that the application of a late night levy could lead to a reversion to the days of old style lock-ins if pubs cannot afford the Levy but need to maintain the extra hour's revenue. That is not something anybody wants as it WILL create a need for more police and council enforcement.

Loss of employment and financial implication

The evidence quoted at paragraph 4.35 of the consultation document is that approximately one third of the sites in Newcastle reduced their hours on account of the Levy. It would be reasonable to anticipate a similar response in Southampton.

Firstly, that means that the Newcastle Council licensing team received an additional 130 licence variations to deal with which increases work load without raising any revenue.

Secondly and most importantly, it means that 130 pubs employed their staff for at least one hour less 2 nights a week. If we assume an average of 3 employees at a pub after midnight at a weekend

night, that equates to almost £300,000 of lost wages which causes pressure on jobs, increased welfare support, reduced taxes and national insurance contributions.

Thirdly, in addition to the individual wages lost, the 130 bars which close earlier are losing income from revenue so tax payments are reduced and money is taken out of the economy. So instead of generating money through the Levy, the local economy is also losing money in different directions. The money raised through the Levy is thus done so at a financial cost. It is a Pyrrhic victory.

Finally, if pubs close or elect to close earlier, it not only impacts upon the employment of staff in the pubs directly but also taxi drivers who pick up from the sites and the late night refreshment vendors. Again that would be unfair on people who have raised their families by working in these ancillary late night businesses. The same arguments apply, less people in a NTE means less money is spent in ancillary businesses.

2. The Levy does not support the aims mentioned in the initial Government consultations.

In January 2012 the Home Office published a consultation on secondary legislation for the Late Night Levy and Early Morning Restriction Orders entitled "Dealing with the problems of late night drinking".

In the Ministerial foreword to the consultation Lord Henley stated :-

"I believe the problems in the night time economy should be addressed locally. The Government is committed to ensuring that the police and local authorities are given the right tools to address the alcohol related problems in their area, whilst promoting a vibrant night-time economy to benefit business and the community that they serve"

In what way does the proposed Late Night Levy achieve this ?

There is no obligation or guarantee that the police will actually spend the additional monies generated by the Levy on providing additional assistance in the area. It could be argued that the Levy is nothing more than another tax on small businesses and an unnecessary increase in administration for Council departments that are already overworked.

'Tackling alcohol related problems in the area and promoting a vibrant night-time economy' is not achieved by giving money to police coffers with no obligation to spend it on improving the night time economy. The Cambridge University report highlighted in Section 3 below suggests that the police simply need to re-allocate resources more efficiently from earlier in the day to later in the evening.

There are a number of alternatives to the Levy which do properly create locally managed solutions to the issues faced by the night time economy.

Business Improvement Districts - such as operate in Nottingham which encourages local businesses to come together to identify areas that can be improved and create the funding to do this. This may fund the taxi marshals, street ambassadors to give assistance to late night revellers.

Pubwatch – is an excellent local tool for encouraging co-operation between licensees and the authorities. Importantly it is a forum for dialogue between licensees. More emphasis needs to be given locally to such schemes.

Purple Flag - is an accreditation scheme, which recognises excellence in the management of towns and city centres at night, setting standards for managing successful evening economies, benchmarking performance and providing significant recognition for partnerships who deliver key services and initiatives associated with the night-time economy. Again this can be a direct local initiative perhaps ran through the pubwatch schemes.

Best Bar none - The Home Secretary Theresa May has hailed the substantial impact of Best Bar None, the national award scheme promoting responsible management and operation of alcohol licensed premises.

In May's ministerial foreword to the Home Office guide *Next Step for Alcohol Strategy*, she spoke of Best Bar None in glowing terms, saying the organisation was a "good example" of an industry-led campaign, declaring "the effects of 'Best Bar None' on reducing drunkenness, and in particular on reducing drunken violence, can be spectacular" and also praising the "targeted action by the pubs and clubs themselves" as "by far the most effective in curbing irresponsible drinking".

These are the Home Secretary's own words "**targeted action by the pubs and clubs themselves as by far the most effective in curbing irresponsible drinking**".

The Late Night Levy does not do this and instead could turn licensees away from working with the authorities to improve things because they will already be paying for something else they don't think is necessary. Far better there is some local input into how such monies are spent and some local pride in the schemes they identify as helping their place of business.

3. The Levy is unnecessary

The crime statistics for Southampton (source UK Crime statistics) point to the fact that criminal activity and in particularly anti-social behaviour offences has significantly reduced in the last 2 years. The numbers of crimes associated with anti-social behaviour dropped significantly between 2011 and the corresponding months in 2013.

Even if it is accepted that there is a need for more control on alcohol related issues, the Levy is an arbitrary measure which fails to relate payment to accountability.

There will be plenty of pubs in Southampton which would be impacted and bear the cost of the Levy where there are no notable incidents of disorder and that are well-managed and plenty of pubs which are a constant drain on police resources which pay nothing.

Latest independent research into the Licensing Act and its impact

The research was undertaken by Dr David Humphreys a Criminologist from the University of Cambridge.

The research studied whether the ability to apply for later licences following the introduction of the 2003 Act would lead to an increase or a decrease in alcohol related crime.

Dr Humphreys' research concluded that opening times have not significantly increased under the current licensing regime. Average trading times were only up by 30-45 minutes on weekdays and 1 hour 20 minutes at weekends.

It further concludes that crime levels have neither risen nor fallen although the current regime has had the effect of 'spreading issues later into the early hours of the morning'. This suggests that instead of spending more on police resources later at night, the police could re-allocate those resources from earlier on when the pubs are now less busy. Overall the net effect should be that the same level of policing is required as previously.

4. The LNL fails to deal with the real issues of the night time economy and crime in the area

The cost of the LNL is borne by the sites that open after midnight instead of being borne (if it is necessary at all), by the sites that are poorly run or become scenes of regular disorder or criminality or other sources of problems.

It does nothing to recognise the huge role the off-trade plays in alcohol related issues by selling loss leading cheap alcohol. These products may end up in the hands of unsupervised minors or those with drink related issues or because of the cheap nature of the product are used to pre-load before going out at night. How does the LNL stop this ?

Just because a supermarket stops serving alcohol at 10pm it does not mean its products are not a major part of the issues faced. It is a radical thought but instead of constantly punishing the heavily regulated on-trade, maybe the LNL should have been attached to the off-trade based upon the amount of alcohol they sell.

We have very few incidences of criminal activity or disorder at the sites we operate but our tenants will be randomly allocated a financial charge purely based on the hours kept.

Summary

For all of the reasons above, Admiral Taverns does not support the proposed Late Night Levy and has very real concerns as to how such a levy will impact upon the local businesses which includes pubs, taxis and late night eating venues.

It is our firm belief that local initiatives selected and led by those that run businesses in the area, working in conjunction with the relevant authorities, will have far more impact in creating the vibrant and safe night time economy we all seek.

Mark Brown

Head of Legal and Licensing, Admiral Taverns

Consultation Question 1

- (a) Do you agree that the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the late-night supply of alcohol are a fair assessment
- (b) Do you think that any of the costs ought not to be taken into account?
- (c) Do you think that there are other costs that should be taken into account?

Response to Question 1

Our answer to each question is given on the basis that we do not agree with the imposition of a Late Night Levy and that it fails to allocate responsibility for paying with accountability for the issues it seeks to deal with.

We cannot comment on the cost of policing and how this is arrived at or allocated. However, our response to question 2 below raises some questions as to whether the costs of the police have increased in real terms and whether a change of approach to a lighter police presence earlier in the evening may be beneficial. However, this is not an area of expertise.

It should be remembered though that the 200 licensed premises in the City already contribute substantially to the local economy through business rates paid as well as the taxes generated through central government. Part of those monies generated is already allocated against policing the night time economy and it should be asked what those businesses are receiving as benefits for the monies generated through their business rates. Again, it is difficult for us to provide an accurate assessment of that without the breakdown of what is provided.

Consultation Question 2

- (a) Do you agree with the assessment of crime and disorder in connection with the late-night supply of alcohol?
- (b) Do you think anything has been left out?
- (c) Do you think that anything mentioned should not be taken into account?

Response to Question 2

It is very difficult for us comment on these issues. This is not an area of expertise for us. However, the crime statistics for Southampton (source UK Crime statistics) point to the fact that criminal activity and in particularly anti-social behaviour offences has significantly reduced in the last 2 years. The numbers of crimes associated with anti-social behaviour dropped significantly between 2011 and the corresponding months in 2013.

Even if it is accepted that there is a need for more control on alcohol related issues, the Levy is an arbitrary measure which fails to relate payment to accountability.

There will be plenty of pubs in Southampton which would be impacted and bear the cost of the Levy where there are no notable incidents of disorder and that are well-managed and plenty of pubs which are a constant drain on police resources which pay nothing.

Latest independent research into the Licensing Act and its impact

The research was undertaken by Dr David Humphreys a Criminologist from the University of Cambridge.

The research studied whether the ability to apply for later licences following the introduction of the 2003 Act would lead to an increase or a decrease in alcohol related crime.

Dr Humphreys' research concluded that opening times have not significantly increased under the current licensing regime. Average trading times were only up by 30-45 minutes on weekdays and 1 hour 20 minutes at weekends.

It further concludes that crime levels have neither risen nor fallen although the current regime has had the effect of 'spreading issues later into the early hours of the morning'. This suggests that instead of spending more on police resources later at night, the police could re-allocate those resources from earlier on when the pubs are now less busy. Overall the net effect should be that the same level of policing is required as previously.

What the police's cost figures do not show is how much was spent policing the night time economy 10 years ago and how much on an equivalent basis has that changed. It is clear that Town Centres are quieter earlier on weekend nights than they used to be so have the police adjusted their staffing rotas to compensate for the change.

Consultation Question 3

- (a) Do you agree with the assessment of the benefits of the Night Time Economy in the City?
- (b) Do you think there are any other benefits?
- (c) Do you think that any benefits mentioned are not relevant?

Response to Question 3

We believe that there are many benefits provided by the Night Time Economy and that it is possible the Levy will curtail those benefits significantly. Based upon the Newcastle model, one third of the bars open after midnight will vary the hours to close. Whilst some of the late night customers will go elsewhere, others will cease to go out. Its net effect may be less jobs, less money spent, less people to police while the police get paid more money to police them!

Consultation Question 4

- (a) Do you have any comments on the potential income that the levy may raise?

Response to Question 4

Firstly, there is no guarantee or obligation that the revenue raised will be spent on the provision of any more police in the night time economy, so the impact of the Levy may well just be that the police have more money to spend as they see fit.

See response to Section 5. There is a strong possibility that the revenues raised by the Levy will be a fraction of what the consequential loss is to the Southampton economy.

Consultation Question 5

- (a) Do you agree that there is a need to raise the revenue that a levy may produce?
- (b) Are there any other issues that you would like the Council to consider?

Response to question 5

The Council need to consider the reverse implications of applying the Levy.

The evidence quoted at paragraph 4.35 of the consultation document is that approximately one third of the sites in Newcastle reduced their hours on account of the Levy. It would be reasonable to anticipate a similar response in Southampton.

Firstly, that means that the Newcastle Council licensing team received an additional 130 licence variations to deal with which increases work load without raising any revenue.

Secondly and most importantly, it means that 130 pubs employed their staff for at least one hour less 2 nights a week. If we assume an average of 3 employees at a pub after midnight at a weekend night, that equates to almost £300,000 of lost wages which causes pressure on jobs, increased welfare support, reduced taxes and national insurance contributions.

Thirdly, in addition to the individual wages lost, the 130 bars which close earlier are losing income from revenue so tax payments are reduced and money is taken out of the economy. The lost revenues from some of these sites will put them under further pressure to survive. Every time a pub closes, 5 or 6 people lose their employment, a family loses their home and the consequential costs of this are often picked up by the welfare state.

So instead of generating money through the Levy, the local economy is also losing money in different directions. The money raised through the Levy is thus done so at a financial cost. It is a Pyrrhic victory.

Finally, if pubs close or elect to close earlier, it not only impacts upon the employment of staff in the pubs directly but also taxi drivers who pick up from the sites and the late night refreshment vendors. Again that would be unfair on people who have raised their families by working in these ancillary late night businesses. The same arguments apply, less people in a NTE means less money is spent in ancillary businesses.

Consultation Question 6

(a) Do you agree that it is desirable to raise the revenue through a levy to be used by the police and the Council?

No. The levy is not targeted at those responsible for creating any issues and is randomly assigned to pubs opening after midnight whether they are a source of disorder or not, and whether they trade to 00.20am like the Waggoners Arms (see response to question 7 below) or 6am.

(b) Have you any comments on the considerations expressed in section 4?

(c) Are there any other matters which you think that the Council should take into account in deciding whether it is desirable to introduce a levy?

Yes, the Council should decide whether it is fair and reasonable to allocate equal responsibility for the cost of policing the night time economy onto pubs irrespective of their location, size, their closing time and the historic disorder attributable to the site.

The Council should also decide whether a localised BID would not be preferable bringing in a wider range of businesses who may impact the night time economy such as the off trade or sites which are busy but close at midnight.

Consultation Question 7

- (a) Do you agree that the Late Night Supply Period should be a period that begins at one minute passed midnight and ends at 6am? What are your reasons for this?
- (b) If you think that the Late Night Supply Period should be for a different period, what should be the hours? What are your reasons for this?

Response to Question 7

We do not believe a Late Night Levy should be imposed at all. However, if it should be imposed it should be set at a later time to avoid out of town community pubs which open until 30minutes or an hour after midnight being held responsible for the policing of the town centre economy.

We have two pubs which fit this exact criteria.

The Juniper Berry

This site is in a residential area just outside the Town Centre. It has a licence to sell alcohol to 1am on Friday and Saturday but this is rarely used and most recently for a discerning private party. This is a locals' pub which does lunchtime food for shoppers and residents in the area. The Juniper has no history of disorder and thus is not a drain on the resources of the authorities.

Despite its' out of town status, the lack of issues at the premises and the fact that the later hours are rarely used, this site would still fall victim to the LNL and faces the unenviable choice of paying the Levy or accepting the income reduction. This despite the Juniper Berry not being a site which attracts the problems that the LNL is set up to fund nor is it a site that makes a great deal of additional income from the later hour which would make paying the LNL acceptable.

Compare this to sites which are busy all day and cause issues but close at or before midnight – these sites would attract no Levy. However, their customers who may have potentially drunk there move on and stay within the Night Time Economy. Consider also the comparison between a site like the Juniper Berry and supermarkets or off licences which sell low price alcohol as a sales driver. There alcohol is often sold in huge volumes without any measure of control as to how it is drunk as it is away from supervision and yet there would be no additional charge. Often the bars within the Night Time Economy are simply tidying up from pre-loaded customers who have drunk off-trade products before going out later to their venues.

It is unfair that a site like the Juniper Berry which is well managed and yet may trade until 1am occasionally is treated more harshly than supermarkets and sites that close earlier and yet may create far more issue in the late night economy.

The Waggoners Arms, Portswood Road

This is another site which would be similarly and quite ridiculously prejudiced by the Levy. The Waggoners has a licence to sell alcohol on Friday and Saturday to 00.20am. Again it is a well-managed site which does not create problems for the Relevant Authorities. Therefore, for the sake of 20 minutes it will be forced to adjust its way of business and reduce its hours to midnight thus losing income or pay £768. This is disproportionate and unfair.

The Waggoners for its additional 20 minutes is asked to pay the same contribution as a bar that is open from midnight – 6am.

While our position is that we oppose any LNL, if it is to be introduced the timings of the Levy should be changed to cover bars open from 2am to 6am. Bars open at this time are late night venues and more likely akin to a night club than a community pub. The LNL as it stands is ill- thought through and highly prejudicial to the smaller operators in an already difficult market. One size fits all is always unfair to the smaller sites.

If the Levy is passed it will be applied to every site in the Licensing Authority open after midnight whether they operate in an area of potential problems or not. A quiet community local open for an additional 20 minutes on the outskirts of the Town like the Waggoners is classed in the same light as the late night high street bar which deals in cheaper alcohol promotions and is a constant source of issues. That is unfair.

Consultation Question 8

- (a) Do you agree that prescribed premises providing overnight accommodation should be exempt? Please explain your views.

No comment.

Consultation Question 9

- (a) Do you agree that prescribed theatres should be exempt? Please explain your views.

No comment.

Consultation Question 10

- (a) Do you agree that prescribed cinemas should be exempt? Please explain your views.

No comment.

Consultation Question 11

- (a) Do you agree that prescribed bingo halls should be exempt? Please explain your views.

No comment.

Consultation Question 12

- (a) Do you agree that prescribed Community Amateur Sports Clubs should be exempt? Please explain your views.

We find it difficult to differentiate why such premises should be given such an exemption as opposed to a community local pub outside of the city centre which serves alcohol until 12.30am. Indeed it could put such venues at a competitive advantage to the local pub.

Consultation Question 13

- (a) Do you agree that prescribed Community Premises should be exempt? Please explain your views.

Whilst we would not object to such exemptions, we find it difficult to differentiate why such premises should be given such an exemption as opposed to a community local pub outside of the city centre which serves alcohol until 12.30am. Indeed it could put such venues at a competitive advantage.

Consultation Question 14

- (a) Do you agree that prescribed Country Village Pubs should NOT be exempt? Please explain your views.

This is arbitrary. We fail to see why amateur sports clubs, hotels, community premises which could potentially be within a town centre should be exempt and country village pubs should not. For that measure though, we fail to see why community local pubs outside of the town centre should be included at all.

Consultation Question 15

- (a) Do you agree that prescribed BID premises should NOT be exempt? Please explain your views.

We believe a BID would be preferable and fairer than a Levy and more accurately targets a local solution run by local businesses who may choose how monies are allocated as opposed to centralised funding for police to spend as they see fit.

Theresa May has hailed the substantial impact of Best Bar None, the national award scheme promoting responsible management and operation of alcohol licensed premises.

In May's ministerial foreword to the Home Office guide *Next Step for Alcohol Strategy*, she spoke of Best Bar None in glowing terms, saying the organisation was a "good example" of an industry-led campaign, declaring "the effects of 'Best Bar None' on reducing drunkenness, and in particular on reducing drunken violence, can be spectacular" and also praising the "targeted action by the pubs and clubs themselves" as "by far the most effective in curbing irresponsible drinking".

These are the Home Secretary's own words "targeted action by the pubs and clubs themselves as by far the most effective in curbing irresponsible drinking".

The Late Night Levy does not do this and instead could turn licensees away from working with the authorities to improve things because they will already be paying for something else they don't think is necessary. Far better there is some local input into how such monies are spent and some local pride in the schemes they identify as helping their place of business.

Consultation Question 16

- (a) Do you agree that premises that only operate on New Year's Day between midnight and 6am should be exempt? Please explain your views.

We do not believe there should be a Levy at all. However, if there is to be a Levy then the premises that operate on New Year's Day between midnight and 6am should be exempt.

Consultation Question 17

- (a) Do you agree that prescribed premises that receive Small Business Rate Relief should NOT be entitled to a reduction in the levy? Please explain your views.

We do not believe there should be a Levy at all.

However, the premises that receive Small Business Rate Relief are the exact premises that should receive a reduction due to the levels of trade.

Consultation Question 18

- (a) Do you agree that at this time members of business-led Best Practice Schemes should NOT be entitled to a reduction? Please explain your views.

We disagree. There should be reductions for those sites that seek to prevent issues and set standards.

(b) Do you agree that such a scheme should be developed? If so, what should be in the details? How can it be developed? How will it be led?

C) If such a scheme were to be developed, do you agree that members should be entitled to a discount?

Yes.

Consultation Question 19

(a) Do you agree that the net revenue from the levy should be split 70:30 between the Hampshire Police and Crime Commissioner and the Council?

Please explain your views.

It makes no difference to the people who pay this arbitrary levy how it is allocated. They will be more concerned how to raise the money to pay for it or how to adjust their business model if they decide not to.

(b) If you think that the Hampshire Police and Crime Commissioner should receive a larger (than 70%) proportion of the net revenue, please state what percentage you propose? [N.B. It is not possible to reduce the proportion to below 70%.] Please explain your views.

No comment. That is between the Council and the police. The Council should make no more money on any levy than the cost of implementation and the police should have to undertake where the additional monies are going to be spent.

Consultation Question 20

(a) Do you have any comments on the range of activities which the Council would wish to develop using its share of the levy revenue? Is there anything else that you would like to see? Please explain your views.

(b) Would you support developing a single programme delivered in partnership between the Council and the police? What would you like it to cover? Please explain your views.

No comment.

Consultation Question 21

(a) Do you agree that the Council should seek to implement the LNL on 1st February 2015? Please explain your views.

No. If the Levy is implemented the licensees should have at least a year to assess their business as to whether they should continue with the later hours and re-organise the business, make any staff redundant who will lose their jobs and begin to save for payment of the Levy. February 2015 is too soon.

(b) If you think that the LNL should be implemented on a different date, what date do you propose? Please explain your views.

Whilst we do not believe the Levy is right for Southampton, if it is to be invoked we believe it should be no earlier than November 2015 to give the businesses affected time to re-structure.

(c) Have you any other comments on the proposed timetable? Please explain your views.

No.



LATE NIGHT LEVY CONSULTATION
A SUBMISSION BY THE ASSOCIATION OF LICENSED MULTIPLE RETAILERS

The Association of Licensed Multiple Retailers (ALMR) welcomes the opportunity to submit written evidence on behalf of our members operating in Southampton to the Licensing Authority's consultation on the introduction of a late night levy. As the only national trade body dedicated to representing pub and bar operators, and in particular the late night sector, the ALMR has been actively involved in discussions about reform of the licensing regime for many years and has sat on Government Technical Working Groups and the Institute of Licensing, working with police and local authority representatives. We are on the Board of Best Bar None and the industry PASS card, as well as working closely with National Pubwatch and Purple Flag.

By way of background, between them our 170 member companies operate just over 16,500 outlets, employing 350,000 staff. These outlets are primarily neighbourhood pubs and bars but also include casual dining outlets, licensed accommodation providers and nightclubs. Two-thirds of our members are small, independent businesses predominantly suburban and/or community outlets. These are valuable social, cultural and economic assets – community spaces, tourist attractions and significant revenue generators – as well as providing a well-regulated, controlled environment for people to enjoy food and drink responsibly and socially.

A significant number of our members operate within Southampton and will be directly affected by the proposed levy, and this response is written on their behalf. These include vibrant town centre bars, nightclubs and live music venues, branded pubs as well as restaurants and small, independent traditional pubs. Many play a proactive part in the existing successful and extensive partnership initiatives; all are opposed to the proposals. We urge the Council to work with the trade and continue with existing voluntary partnership schemes which are proven to be effective and successful in addressing the root causes of alcohol related harm, and which have already led to significantly declining levels of crime and disorder across the town centre. We are concerned that an additional tax on business may undermine this positive level of financial support and active engagement – a levy should not be seen as an addition to current voluntary initiatives when it may have the effect of replacing them.

Background & Overview

Licensed hospitality is one of the UK's primary economic sectors and is a resilient part of the economy even through a recessionary period – adding jobs and increasing productivity and turnover over the last 5 years

- Generates £66 billion in revenue - 6% of UK turnover
- Employs 6% of the UK workforce – 550,000 directly and 450,000 indirectly
- Accounts for 8% of UK firms – three quarters of them small businesses
- Paying 46% of turnover in taxes - funding vital public services
- Generating £209k GVA per outlet for the wider local economy
- Serving 20 million meals a week, 3.6 million cups of coffee and 15 million customers
- Investing on average 8% of turnover directly in crime reduction, rising to 11% for late night businesses
- Participating in industry schemes like Best Bar None, Purple Flag, Pub/ClubWatch and BIDs

Data provided by Hampshire County Council suggests that Southampton is one of the most visited cities in the region, attracting 15% of domestic and inbound tourism visits and spend and accounting for almost 14% of all tourism related employment.



Whilst we acknowledge that our businesses need to play a proactive role in tackling alcohol related harms, crime and disorder in the night time economy (NTE) is not just the responsibility of licensed hospitality businesses. Even if no premises were selling alcohol beyond midnight, these problems would not cease and there would be costs incurred by police and the authority. Crimes or incidents which occur within the late night supply period are generated by a range of factors and behaviours that are not directly attributable to NTE businesses, those factors including consumption of alcohol earlier in the evening or in a domestic setting – 70% of alcohol is now consumed away from licensed premises and half of all alcohol confiscated as a result of public disorder comes from the 5 major supermarket chains – but few of the operators of off-licence businesses will be paying the levy.

The Council's consultation recognises that that the overwhelming majority of visitors enjoy the night time and late night **economy responsibly and cause no problems**. Figures from Hampshire County Council shows that Southampton plays host to over 4 million visitors a year – a massive 13% of the county's 37m visitors – and it is important that any assessment of levels of crime and disorder takes into account this very high footfall. Despite the very high numbers of visitors, all forms of crime in Southampton are trending noticeably downwards; less than a third occurs in the 7pm to 7am period identified by the police, which includes the 6 hours liable to the levy (midnight to 6am) as well as the 5, usually busier, hours directly preceding them (7pm to midnight); and of that third a number are likely the result of factors which have nothing to do with the NTE, save that the crime occurs during the NTE rather than being caused by it. This is in large part thanks to the significant investment made by licensed hospitality businesses in internal standards and voluntary initiatives such as BBN, Taxi Marshalls and Street Pastors. We recognise that concerns remain about the residual levels of crime and disorder but we remain to be convinced that the imposition of a tax on doing business will do anything to address them.

Hospitality venues play an important role in Southampton's economy and society. The town gains huge benefits from having a diverse, vibrant and thriving night time economy which acts as a regional destination venue attracting tourism and leisure spend from a wide catchment area. The City Centre Action Plan states that the Council's objective is for the town to be "a regional centre of excellence for evening and night-time entertainment". It highlights the "importance of Southampton's 'offer' and the need for variety with visitors attractions, events, arts, culture and the NTE drawing people into (and around) the city centre" as being key to delivering this ; this could be jeopardised by the imposition of a levy. It is important to bear in mind that many participants in the NTE are active at other times of the day to provide venues and facilities which are flexible in their offer, anything which affects the overall viability of such venues may have a disproportionate impact outside the NTE.

The sector is also important in terms of employment and job creation. Our own research suggests that employment in eating and drinking out in Southampton has increased by 10% in the last 3 years. Licensed hospitality businesses generated 1 in 6 of all new jobs in the UK last year for 18-24 year olds. This positive job creation record could be jeopardised as a result of the additional costs of a levy or the reduction in profits some businesses will face by closing earlier to avoid the costs; bringing closing hours forward to before midnight has the effect of removing a full shift.

The NTE is not just an important economic sector in its own right and in terms of its part of the city's leisure offer as a whole, it also **underpins the success and contribution of other businesses** within the city. The consultation recognises that the night time economy draws visitors and residents in to attractions but a vibrant, eclectic and attractive licensed hospitality offer attracts leisure spend throughout the day as well as the evening. According to Visit England those 4m visitors put Southampton 16th in the country in terms of trips and 20th in terms of visitor spend at £123m. Places to eat and drink out are vital to supporting and sustaining the city's



events, retail and tourism communities and to the delivery of City Action Plan; this will be undermined by the negative impact of a levy.

Southampton has a strong reputation for being a safe and welcoming night time economy, recognised by its aspiration to achieve Purple Flag Status and falling levels of crime and perceptions of crime. It also takes pride in the fact that it has bucked economic trends by attracting investment to the area in the field of arts, entertainment and culture. The existence of a vibrant and engaged NTE is a key component of this and we believe that the imposition of a levy may undermine the Council's strategic objectives going forward.

Response to Consultation Questions

- 1. Do you agree that the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the late night supply of alcohol are a fair assessment? Do you think that there are any costs which should not be taken into account? Do you think that there are other costs which should not be taken into account?**

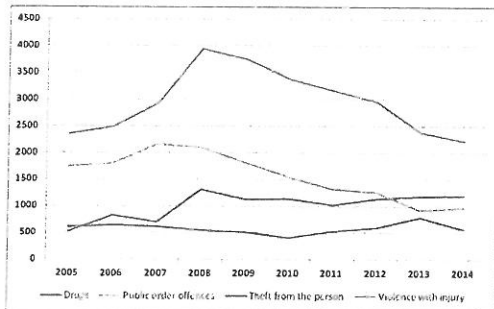
We are concerned that relatively little information is provided as part of the public consultation exercise on the costs of crime and disorder. The document only provides information from a 9 month period and there is no trend data provided to enable respondents to assess whether the problem is getting better or worse and requires a greater or lesser intervention, let alone a different type of intervention. We have commented on the crime figures themselves below.

Moreover, the figures cited are gross figures for policing or dealing with any late night issue and not specific to the problems arising directly from those businesses affected by the levy. The NTE is not synonymous with the levy paying community. For example, there will be a baseline cost for policing the city centre even when all businesses are closed. Moreover, figures quoted for the costs of dealing with alcohol-related harms both in respect of the police and the health service include problems and issues where there is no proven causation between those problems and the NTE, and which are far broader than the levy was ever intended to address, such as consumption in a domestic setting, street drinking or issues related to fast food takeaways. On that basis the levy imposes a penalty on our members who participate in the night time economy which is wholly disproportionate to their contribution to or causative effect upon behavioural issues; our members are penalised simply for being open for trade

We believe that these baseline costs should be removed from the consideration since they are a constant, and accurate estimates produced for the cost of policing those businesses which will be subject to the levy based on their causative impact on behavioural issues. It is also vital that any levy proceeds represent additional expenditure over and above that already committed to tackling alcohol related harms and are not simply used to subsidise existing public services.

- 2. Do you agree with the assessment of crime and disorder in connection with the late night supply of alcohol?**

We are concerned at the limited nature of the information provided about levels of crime and disorder. Although the police have only provided crime data for a 9 month period, both more up to date information and trend data is available for Southampton. The latest National Crime Statistics (covering the period to March 2014) show a clear declining trend for all levels of crime. This does not provide any information about time or location, but the police data provided as part of the consultation suggests just under a third of all incidents will be related to the NTE, using the police definitions set out in the consultation document. Extrapolating across it would seem reasonable to suggest that at the minimum crime in the NTE is declining at the same rate as crime in Southampton generally



We note that the police classify all crimes committed in or near licensed premises or in the police identified 'NTE zone' between 7pm and 7am as being NTE-related – this is a major assumption. These are very wide parameters, even if the broad assumption is allowed it will still mean that incidents which are not related to the late night businesses and potential levy payers will be included within this assessment – for example, problems with street drinkers, who purchase alcohol from off licences in the early evening, are currently included. The consultation document itself notes in a telling insert “[can we break down to after midnight as this figure squews [sic] it?]”. It is therefore vital that references to incidents outside the levy period are excluded.

We also believe it is important to include analysis on the amount of crime which is alcohol related since some incidents occurring on the streets within the NTE zone may well be incidental to the late night supply of alcohol. If a levy is to be introduced and the proceeds targeted at clear problems of cause and effect, then it is vital that we have an accurate, precise statistical base to work from which places problems in context.

Clearly, Southampton attracts a large proportion of visitors whose eating and drinking spend will increase the area's GDP. It is important that this is not only recognised but taken into account in any analysis of crime and disorder figures – the true metric is crime per visitor not resident – and any assessment of the socio-economic risk of imposing a levy. We are concerned that the consultation does not include any meaningful risk assessment. We reject the police suggestion in their report that the economic downturn is affecting visitor numbers to the NTE. This does not appear to be the case from Council and VisitBritain statistics and the experiences of our members.

Even using the police statistics included in the consultation document, this suggest that incidents of late night crime and disorder are relatively low, particularly taking into account the high number of visitors to the area. While the consultation profiles the figures for the 7pm to 7am period, there are 772 incidents of violence after midnight and 648 ASB offences; the police estimate a third of these will be alcohol related (clearly not just NTE related because of the 12 hour window under consideration. That means that there are 27 incidents a week – or 0.13 per late night venue or 0.0004 per visitor.

We also believe it would be helpful to put the crime statistics into the context of other police priorities. A recent Police Report notes that a very small proportion of all offences occur in or directly around licensed premises (9% in a club, 8% in a pub and 1% in a queue for a licensed premises); it goes on to highlight city parks and the general street scene as of greater concern.

The consultation document clearly states that Southampton is a safe city with a reputation for vibrant and varied nightlife enjoyed by residents and visitors. This is in appreciable part due to the significant



investment made by licensed hospitality businesses in internal standards and voluntary initiatives such as BBN, Taxi Marshalls and Street Pastors. We recognise that concerns remain about the residual levels of crime and disorder but we remain to be convinced that the imposition of a flat rate tax on a sector of the economy which may have a coincidental rather than causative relationship to the harms which it is sought to address will do anything to address them.

3. Do you agree with the benefits of the Night Time Economy in the City?

We agree with the benefits listed in the consultation document but believe that they are insufficient to give a true picture of the socio-economic benefits of the NTE to the city.

Southampton gains huge benefits from having a diverse, vibrant and thriving night time economy which acts as a regional destination venue attracting tourism and leisure spend from a wide catchment area. It draws visitors and residents in to attractions but a vibrant, eclectic and attractive licensed hospitality offer attracts leisure spend throughout the day as well as the evening. It is worth noting in this context, however, that the town is in direct competition with other Hampshire towns and indeed South East destination venues and transport hubs, and an increase in operating costs as a result of a levy could place it at a competitive disadvantage.

A recent economic paper produced by the Greater London Authority estimated that on average, London Boroughs are net beneficiaries from the NTE, with a cost-benefit ratio of between 1:5.5 and 1:8.8; we estimate that Southampton benefits by a comparable amount. Southampton's long term strategic vision – The City Centre Action Plan – states that the Council's objective is for the town to be "a regional centre of excellence for evening and night-time entertainment". It highlights the "importance of Southampton's 'offer' and the need for variety with visitors attractions, events, arts, culture and the NTE drawing people into (and around) the city centre" as being key to delivering this; this could be jeopardised by the imposition of a levy, since rather than pay the levy venues may voluntarily restrict their trading hours, in either case affecting their overall viability.

Research carried out by the ALMR in association with CGA reveals 389 on trade licensed hospitality businesses within Southampton, with a combined GVA of £81 million. Over a third of these are traditional community pubs, 39% are restaurants or food led pubs and a further 19% are late night venues. The overwhelming majority (56%) of outlets are independently operated. Despite the fact that few community or food led pubs and restaurants are associated with alcohol related harms, many will have licence permissions extending beyond midnight and will be affected by the levy proposals if adopted. We anticipate that the majority of these will adjust their hours accordingly and this will have an impact on projected levy revenues. We note that the Home Office anticipated between a fifth and a quarter of premises would adjust their hours, but evidence from Newcastle suggests closer to a third.

The sector is also important in terms of employment and job creation. We estimate that the above outlets will between them support over 8,000 jobs directly and an equivalent amount in the local supply chain. There is a need better to support businesses which provide high volumes of jobs with a range of entry points for age and skill levels. Licensed hospitality businesses generated 1 in 6 of all new jobs in the UK last year for 18-24 year olds.

The NTE is not just an important economic sector in its own right, it also **underpins the success and contribution of other businesses** within the city and is integrally linked to other facets of the city's offer. The businesses that thrive and provide a vibrant late night offer are the same businesses which provide



those services throughout the day – and vice versa. The health of the sector and the economy are interlinked and measures such as the levy which undermine late night businesses will have a knock on effect on the viability of trade during the day and evening.

4. Do you have any comment on the amount of revenue the levy is likely to raise?

We are keen to ensure that Southampton has a vibrant and diverse evening and night time economy which is sustainable, which allows and encourages operators to invest in their staff, their premises and their offer and which delivers the highest standards of management practice in order to minimise any problems which may arise. In considering the case for a levy the Council should have regard to the unintended consequences of taxing businesses which have late night permissions, some will surrender the permissions rather than be taxed, thereby reducing choice, and others who regularly trade in the late night economy may have to sell more alcohol to generate the margin to pay the additional tax, which would appear to be counterproductive to the levy's aims. Meanwhile the off-trade is able to capitalise on the opportunity to sell more alcohol free of a levy. How can that be logical?

The consultation document considers this briefly but concludes that "it is unlikely that this will have a detrimental effect on affected businesses or cause them to change their operation" and supports this by saying that "The Government has said that premises are expected to make higher profits than the cost of the LNL and thus not be dissuaded from operating" and variations will come from those who "do not actually operate during those hours". We fundamentally disagree with these assumptions and note that while the Government initially anticipated that a quarter of licensed premises would voluntarily restrict their hours to avoid the levy, in practice around a third are doing so – with high profile early closures in Newcastle and Islington rather than pay the levy. If a third of business close, and the remainder have to sell more alcohol to pay the levy, how can that be a sensible and proportionate response to behavioral issues which occur during a period of time where there is no clear relationship of cause and effect between those issues and businesses which have licensing permissions to sell alcohol during that period? The levy is a solution looking for a problem.

If a business chooses to restrict its hours, this would not only have an impact on the diversity and range of Southampton's offer – something the consultation makes much of – it would also result in a reduction in employment, as many operators would remove an entire shift rather than reducing existing staff hours.

The levy is a significant additional cost for businesses to bear, over and above annual licensing fees (themselves scheduled to increase) and it will affect profitability and viability for many. The consultation quotes a figure of £12 per week, but it could be as high as £4,000 a year or £77 a week for many outlets. Some will choose to close earlier to avoid paying this, with knock-on effects on turnover, GVA to the local economy and employment patterns. Late night businesses operate on slim margins as a result of the high costs of doing business. This means that for every £1 of additional operating costs imposed, they must generate at least an extra £4 in trade across the bar to cover it. A late night levy will therefore result in businesses focusing on higher margin product, which might include alcohol sales, which would be counter-intuitive. The imposition of a levy will therefore lead to a less diverse NTE going forward.

The levy is four times current licensing fees and a significant additional overhead which will be a material consideration in decisions on operating practice and model as well as investment in premise and location.



We note that the Council's best estimate is that the levy will raise £100,000 in gross revenue – reduced to £75,000 in the first year due to costs. This could be optimistic if more operators amend their hours and could result in the local authority retaining less than £22,000.

5. Do you agree that there is a need to raise the revenue that a levy may produce?

We acknowledge that concerns remain around crime and disorder – no NTE operates without issues arising – the key concern is how these issues are managed and how appropriate the proposed interventions are at addressing them. We believe it is important to manage out the problems where possible rather than simply paying to clean up after them. Clearly levels of crime and disorder can always be improved, and licensed hospitality businesses have a vested interest in driving down crime and improving the city centre environment, but it is key that investment is focused on the solutions which will deliver the greatest results. For this reason, partnership working rather than a mandatory blanket tax remains our preferred, more effective approach.

6. Do you agree that it is desirable to raise the revenue through a levy?

In deciding whether to introduce a late night levy, the licensing authority must bear in mind that any increase in operating costs will be a challenge. This will be seen as a significant and substantive extra tax imposed by the Council on operators who are already struggling in the current financial climate. It will have direct consequences for business profitability and viability as well as GVA to the local economy and employment patterns.

The *ALMR* continues to oppose the imposition of an additional tax on late night businesses at a national and local level, particularly when it will be not be levied on all the businesses engaged in late night activity and contributing towards any anti-social behaviour and disorder problems which may arise from it. There are legitimate concerns about street drinking, off-licence sales and concentration of premises and crime and disorder within the City centre occur throughout the day and early evening periods. Very few of the businesses which contribute to these problems will be paying the levy.

More importantly, businesses remain concerned that there is no certainty that the monies raised will be used to address specific problems in their area. Businesses already face paying a series of additional local taxes in the form of supplementary business rates as well as contributing to a range of voluntary social responsibility initiatives.

7. Do you agree that the Late Night Supply Period should begin at 0.01 and ends at 6am?

We do not believe that the imposition of a levy is the right way to tackle issues in the late night economy and therefore do not believe any levy period is appropriate or justified.

Many incidents occurring after midnight will be caused by consumption before then or may not be related to the NTE at all. Our preference therefore remains for business-led solutions to clearly identified problems delivered through voluntary best practice initiatives. This is in line with the National Alcohol Strategy which states that targeted action taken voluntarily by pubs and clubs themselves is most effective in curbing irresponsible drinking and associated drunken violence. The Home Secretary, Theresa May, in publishing the strategy, suggested that a legislative approach, either national or local, was a 'sledgehammer' which all too often misses its target and that a partnership approach was more effective. Our concern is that the imposition of a flat rate tax may undermine this.

In the absence of any information on the volume of crime or problems arising at various times, it is almost impossible to provide a meaningful response to this question. Before asking about possible time periods, it is incumbent upon the licensing authority to provide evidence of the issues it wishes to address by reference to those time periods. However, given that only a small number of premises are licensed between midnight and 1am, and noting that these will primarily be community pubs or food led venues, our preference would be for the levy to commence at 01.01.

8-16. Do you agree that certain types of premises should be exempt?

While we do not support the imposition of a levy on any business we agree that, if the problems post-midnight are sufficiently serious to warrant its imposition, then all businesses selling alcohol at that time should be liable. We therefore do not support the Council's proposals to exempt a large number of premises and only impose a levy on late night pubs, bars, restaurants and nightclubs.

The only exception to this should be those businesses which are only licensed to sell alcohol after midnight on New Year's Eve as this was a grandfather right offered in the transition to the new regime.

17-18. Do you agree that prescribed premises should not be granted a discount from the levy?

We disagree with the proposal not to offer discounts. As noted above, business led best practice schemes are the most effective at tackling identified problems of crime and disorder and failure to offer a discount to those businesses actively involved in Pubwatch, Best Bar None, Street Pastors and taxi marshalling or other similar initiatives could undermine support for voluntary measures. The Council must ensure that the levy does not act as a financial deterrent from participation.

Best Bar None in particular has proved effective at reducing not only levels of crime but the costs of policing. Evidence from towns like Durham shows that implementation of the scheme has increased footfall in the important early evening bridge period, encouraged a more diverse customer base, with families and older customers returning, and reduced policing costs. Concentrating a late night economy into fewer venues and reducing trade competition is as likely to exacerbate social disorder issues as solve them.

The consultation goes on to ask whether we would support the development of a best practice scheme which may be eligible for discount. While we would of course support this and would be willing to work with the Council to deliver this, in association with local operators, we believe that those schemes are already in existence and that the discount should be applied to them. Any discussion about an additional best practice scheme should be led by and be derived from BBN.

19. Do you agree that the net revenue from the levy should be split 70:30 between the Hampshire Police and Crime Commissioner and the Council?

The precise split in revenue proceeds is arguably less relevant than whether the levy should be imposed in the first place. We continue to believe that a voluntary approach will be more flexible and more effective in addressing problems and issues as they arise.

We note, however, that the revenue will go to the Hampshire Police and operators are understandably concerned to ensure that guarantees are in place to ensure that it will be spent on policing within Southampton town centre.



20. Do you have any comments on the range of activities which the Council would wish to develop using its share of the levy revenue?

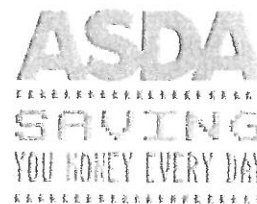
We do not agree that it is desirable to raise the revenue through a levy; as noted above, a more collaborative partnership approach may well have delivered more effective results without the need for a levy.

With little meaningful information provided in the consultation on the level and scale of the problems arising from the licensed hospitality sector and the specific costs associated with dealing with them, it is difficult to determine how the levy revenues should be spent and for any meaningful assessment to be made about whether proposed interventions are the right ones, whether they are justified or whether the proposed level of revenue raised is sufficient to meet their cost. We strongly urge the local authority to go back and do this preliminary investigation and assessment before pressing ahead.

Finally, we are concerned that the estimates of cost refer to existing police and local authority investment and spend. If the levy is to have an impact on further reducing crime and disorder levels, it is vital that it is in addition to not a replacement for existing funding.

Late Night Levy Consultation
Licensing
Southampton City Council
PO Box 1767
Southampton
SO18 9LA

03 June 2014



Asda Stores Ltd
Asda House
Great Wilson Street
Leeds
LS11 5AD
Tel: 0113 826 1625
www.ASDA.com

Asda response to the consultation on the introduction of a Late Night Levy

Asda welcomes the ambition of Southampton City Council to tackle the problems associated with alcohol misuse in the city centre, and is grateful for the opportunity to contribute to the consultation.

As a responsible retailer, we have devoted extensive resources to improving the way we sell alcohol. Since 2010 we have implemented a voluntary ban on the sale of alcohol at a price below the cost of excise duty plus VAT – the only retailer to commit to doing so – and we offer a market-leading range of low or alcohol-free products. We were the first retailer to introduce Challenge 25 in every store and we use an independent verification system (Serve Legal) to ensure that all of our colleagues are applying the policy appropriately and consistently.

We have invested £1 million in targeted and effective action to tackle harmful drinking, delivered via Addaction, the UK's leading specialist alcohol treatment charity. We support Community Alcohol Partnerships that aim to tackle public underage drinking and alcohol related anti-social behaviour through co-operation between alcohol retailers and local stakeholders. We also support the Street Pastors programme and have recently provided a five-figure grant to the organisation through our Asda Foundation. We are a signatory of the UK Public Health Responsibility Deal pledge to remove one billion units of alcohol from the market by 2015 and we have voluntarily removed a number of high alcohol products from our shelves and reduced the alcohol content of others.

We believe that the introduction of an Early Morning Restriction Order (EMRO) would be a fairer and more effective method than a Late Night Levy (LNL) for managing the late night economy and reducing alcohol misuse.

For successful businesses with heavy trading patterns – those likely to sell the most alcohol – the LNL is unlikely to be a deterrent from opening late at night. Those for whom paying the LNL would be a deterrent from opening, however, are likely to be smaller businesses with lighter trading patterns. These smaller businesses, which trade less alcohol and have fewer customers, are unlikely make a significant contribution to the problems associated with the late night economy. As a result, the problems identified in the town centre are likely to continue despite the LNL and could even become more concentrated within specific areas of town and city centres where the larger businesses are located.

The blanket nature of a LNL, applying to all licensed premises in an area, discriminates against responsible businesses such as Asda that actively operate their premises in support of the licensing objectives. These businesses would be forced to pay the LNL or cease trading, despite the fact that they are unlikely to have been responsible for the problems which resulted in the introduction of the LNL in the first place. A LNL gives a competitive advantage to irresponsible licence holders, who are likely to be making the greatest contribution to the problems within the late night economy.

In contrast, EMROs can be targeted at a specific area within a licensing authority. Targeting problem areas and premises and preventing those premises from trading outside the hours specified will achieve a reduction in harm without penalising responsible businesses. It is a fairer and more efficient approach to addressing the problems associated with the late night economy, delivering greater benefits to local businesses and citizens by enabling the local authority to target resources more effectively and deliver longer term savings in emergency and council services.

LNL discounts and proceeds

We strongly believe that an EMRO system would be a fairer and more effective method of managing the late night economy, when compared with the blanket introduction of a LNL. However if the decision is taken to introduce a LNL, we believe that a number of issues need to be addressed to ensure it operates efficiently and effectively.

It has been suggested in similar schemes that businesses could receive a discount on their LNL obligations if they participate in benchmark schemes. However it is important to note that there are considerably more benchmark schemes for on-trade premises. It would therefore be inequitable to offer the same level of discounts to the on- and off-trade for participation in schemes to which there is not equal access. Consideration should be given to offering greater discounts for the off-trade, particularly as they are likely to have lighter trading patterns and make a much smaller contribution to problems within the night time economy.

We believe that premises' licence holders that participate in benchmark schemes and choose to sell alcohol after midnight should be granted a discount on the LNL. As above, consideration should be given to offering greater discounts for the off-trade, where there are fewer opportunities to participate in benchmark schemes. To help remedy this situation Community Alcohol Partnerships, which are an effective partnership approach to tackling problems associated with alcohol misuse, should be included as a benchmark scheme. This is particularly important due to the limited number of schemes in which the off-trade can participate.

We believe that a community fund bids system would be a sensible method of allocating proceeds from the LNL. Consideration should be given to whether the proceeds could be used to support Community Alcohol Partnerships.

If you would like any further information please do not hesitate to contact me.

Regards



David Maloney
Licensing and Permits Compliance Manager

**THE BAIZZ CLUB
80 – 82 CASTLE WAY
SOUTHAMPTON SO14 2AU**

The Licensing Manager
Legal and Democratic Services
Southampton and Eastleigh Licensing Partnership
Southampton City Council
Civic Centre
Southampton SO14 7LY

31 July 2014

Dear Sir

LATE NIGHT LEVY CONSULTATION

We operate a Snooker and Leisure Centre at 80-82 Castle Way Southampton. We wish to make representations in respect of the proposed late night levy as follows:

- 1 We would object in principle to the basis upon which the levy is to be assessed namely on the rateable value of the premises because the nature of our club as a members club providing snooker, pool and darts facilities for its members is of necessity very large and therefore has a high rateable value.
- 2 We have held a late night licence for six years in our own right whilst we have run the club and it has held a twenty four hour licence for a period prior to that. During this period there have been very few problems.
- 3 The consumption of alcohol is ancillary to the main purpose of our club which is principally for the purpose of providing the leisure facilities referred to above. An assessment of any levy to be made would be entirely disproportionate were it to be based on rateable value to say a nightclub which would be much smaller and frequented by a much larger number of people.
- 4 It would be appropriate to distinguish members clubs from other premises where there is free public access and therefore minimal control over those accessing the club. In the case of our club there is no access to guests of members properly signed in after 11.00 pm and before 8.00 am.

For the reasons stated above, it would seem to us that an assessment of any levy by reference to rateable value would be disproportionate for premises such as ours. We also submit that there should be further considerations namely the past history of the premises, the type of activity carried on on the premises, the accessibility of the premises to the general public and in particular whether there are any restrictions on access.

We consider that the proposal would militate unfairly against premises such as ours and we trust that proper consideration can be given to distinguishing the types of premises in assessing any levy which we would oppose in principle for businesses such as ours.

Yours faithfully

P MADDEN for self and T M SWAIN

From: [Martin Couchman](#)
To: [Licensing Policy](#)
Subject: Late Night Levy Consultation: BHA Response
Date: 28 July 2014 13:10:35
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)

Dear Sirs,

The British Hospitality Association is the national association representing the hotel, restaurant and catering industry.

We have been opposed throughout to the introduction of the Late Night Levy, and you will be receiving responses from the associations representing the pub sector setting out the reasons, which we support, for opposing your Council's intention of introducing the Levy in Southampton.

We have just one point to add, in response to paragraphs 6.3 to 6.5 on premises providing overnight accommodation:

We do support the Council's intention of exempting hotels and similar premises from the Levy in relation to resident guests. Our members with hotels in Southampton include Grand Harbour, Hilton, Holiday Inn, Novotel, Premier Inn and Mercure and large numbers of independent hotels. There is no evidence that resident guests at such hotels leave the premises during the night in such a way as to contribute significantly, if at all, to law and order problems. This point was recognised by government in the creation of the discretionary exemption for such guests, and we are pleased that the consultation document recognises this point.

I confirm that we have no objection to this response being made publicly available.

Yours faithfully,

Martin Couchman OBE

Deputy Chief Executive
British Hospitality Association

E: martin.couchman@bha.org.uk | T: 020 7404 7744



Let's keep in touch



[website](#) | [newsletter](#) | [events](#)

The British Hospitality Association is a company limited by guarantee. Company Registration No. 109030. Registered Offices: Queens House, 55 – 56 Lincolns Inn Fields, London, WC2A 3BH. Privileged/Confidential Information may be

From: [Lynda Green](#)
To: [Licensing Policy](#)
Subject: late night levy
Date: 28 July 2014 22:41:39

Clowns and Jesters
112-118 Bevois Valley Road
Southampton
SO14 0JZ

28/07/2014

Dear Mr Bates.

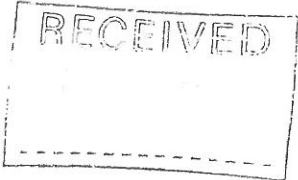
Regarding your late night levy.

Although we think that this is a very unfair levy considering the council tax and rates that we pay, we are sure that you have already decided that it is going to go ahead. We would ask in that case however, that when considering the payments that each premises has to make you take into account certain aspects of the way they are run. We for example are only open in Jesters one hour after the water shed, and Clowns closes at 1.00 am every night we are open. We are also only open in University term times. Thirty five weeks of the year. The rest of the year we only open on Fridays and Saturdays, and once again we close Jesters at 2.00am. In August we close completely. We also have our own doormen monitoring the taxi rank. There is a very low, usually non existent police presence in Bevois Valley as there are very few problems over the year, and a very high number of door staff on hand if the rare problem does arise.

We ask that you take all these factors into consideration when coping to your desitions.

Regards

Lynda Green (Director)



QUESTIONNAIRE

Please complete and return this questionnaire by 31st July 2014

BY E-MAIL to: licensing.policy@southampton.gov.uk

BY POST to: Late Night Levy Consultation, Licensing, Southampton City Council, PO Box 1767, Southampton. SO18 9LA

PLEASE INCLUDE ADDITIONAL SHEETS IF THERE IS NOT ENOUGH SPACE

Consultation Question 1 – COSTS

- (a) Do you agree that the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the late-night supply of alcohol are a fair assessment?
- (b) Do you think that any of the costs ought not to be taken into account?
- (c) Do you think that there are other costs that should be taken into account?

(a) *No. I think the total costs are underestimated. There are not enough police on duty to prevent crime and disorder over the widespread area of late-night drinking venues.*

(b) *All costs mentioned should be taken into account*

(c) *Street cleaning has been mentioned but this is not widespread enough. Fast food takeaways tend to base themselves close to late night venues resulting in discarded packaging being dropped in nearby streets. There is also evidence of vomiting & urinating*

Consultation Question 2 – CRIME AND DISORDER

- (a) Do you agree with the assessment of crime and disorder in connection with the late-night supply of alcohol?
- (b) Do you think anything has been left out?
- (c) Do you think that anything mentioned should not be taken into account?

(a) Yes - there is no doubt whatsoever that late-night drinking results in increased crime and disorder and, sadly, increased violence on innocent citizens walking home after a night out.

With 200 late night venues how on earth are you going to control the problems caused. What effect does ~~has~~ all this have on neighbouring streets where citizens are trying to sleep in preparation for their working day ahead.

(b) Late night venues that encourage extra drinking with special offers.
 Not all crimes or injuries are reported to the police. Injured clients are taken out of the city to be treated.

(c) No.

Consultation Question 3 – BENEFITS OF A NTE

(a) Do you agree with the assessment of the benefits of the Night Time Economy in the City?

(b) Do you think there are any other benefits?

(c) Do you think that any benefits mentioned are not relevant?

(a) not completely - the benefits are mainly to the owners of the premises - not to the citizens of this city
Benefits go to the taxi trade & hotels

(b) yes - late night socialising is part of today's life style but it really needs to be centred within the city where it could be more easily controlled.

(c) yes - the mention that people are coming from London, Bristol, Reading to enjoy Soton's night time economy. These places already have thriving N.T.E.!!!

4

Consultation Question 4 – INCOME FROM THE LNL

(a) Do you have any comments on the potential income that the levy may raise?

(a) YES - IT'S AN EXCELLENT MOVE.

Consultation Question 5 – NEED TO RAISE REVENUE

(a) Do you agree that there is a need to raise the revenue that a levy may produce?

(b) Are there any other issues that you would like the Council to consider?

(a) YES.

(b) YES - INCLUDED IN ANSWER BELOW.

Consultation Question 6 – DESIRABILITY OF THE LNL

(a) Do you agree that it is desirable to raise the revenue through a levy to be used by the police and the Council?

(b) Have you any comments on the considerations expressed in section 4?

(c) Are there any other matters which you think that the Council should take into account in deciding whether it is desirable to introduce a levy?

(a) YES.

(b) Several late night venues are known as student venues. Very many of whom overdrink and their resultant behaviour is completely anti-social - shouting, yelling - being sick - removing road signs - collecting trophies - removing / emptying wheelie rubbish bins - all of which have to be sorted out by council employees - police - street cleaners etc - all paid for out of the council tax - paid by residents - BUT NOT PAID BY STUDENTS. So - who has profited from the excess alcohol consumed - - - the bar owners. YES. A LEVY IS NEEDED.

(c)

Consultation Question 7 – LATE NIGHT SUPPLY PERIOD

(a) Do you agree that the Late Night Supply Period should be a period that begins at one minute passed midnight and ends at 6am? What are your reasons for this?

(b) If you think that the Late Night Supply Period should be for a different period, what should be the hours? What are your reasons for this?

(a) YES. THE TIME FOR THE HEAVIEST DRINKING WILL BE THE EARLY HOURS FROM MIDNIGHT TO 3 AM. MANY CLIENTS LEAVE PUBS THAT CLOSE AT 11pm or thereabouts and move on to the LATE NIGHT VENUES BY 2-3 am. they are well drunk + ready to either stagger home or go looking for trouble.

(b)

No. keep the one minute ~~passed~~ past midnight to 6am.

Consultation Question 8 – EXEMPTIONS – OVERNIGHT ACCOMMODATION

(a) Do you agree that prescribed premises providing overnight accommodation should be exempt? Please explain your views.

- (a) YES. - THEIR GUESTS ARE PROBABLY ENJOYING A DRINK WITH THEIR EVENING MEAL OR TO RELAX BEFORE GOING TO BED. OBVIOUSLY THE OWNER WOULD BE ABLE TO DEAL WITH ANY POTENTIAL TROUBLE MAKER.

Consultation Question 9 – EXEMPTIONS – THEATRES

(a) Do you agree that prescribed theatres should be exempt? Please explain your views.

- (a) YES. AUDIENCES MAY ENJOY INTERVAL DRINKS OR BEFORE A SHOW STARTS. BUT THEATRES DON'T NORMALLY ALLOW PEOPLE TO STAY AND DRINK WELL AFTER A SHOW IS OVER. THE STAFF ARE ANXIOUS TO CLOSE UP THE THEATRE AND GO HOME.

Consultation Question 10 – EXEMPTIONS – CINEMAS

(a) Do you agree that prescribed cinemas should be exempt? Please explain your views.

- (a) YES. PEOPLE DON'T GO THERE TO DRINK TO EXCESS. THERE ARE ALWAYS ENOUGH STAFF ON DUTY TO OBSERVE & CONTROL PATRONS BEHAVIOUR.

Consultation Question 11 – EXEMPTIONS – BINGO HALLS

(a) Do you agree that prescribed bingo halls should be exempt? Please explain your views.

(a) YES AGAIN - PEOPLE DO NOT GO THERE TO DRINK TO EXCESS. STAFF WILL BE WATCHING ANYONE WHO SHOWS SIGNS OF DRUNKENESS. I'M SURE THEY WILL NOT BE OPEN AFTER MIDNIGHT.

Consultation Question 12 – EXEMPTIONS – COMMUNITY AMATEUR SPORTS CLUBS

(a) Do you agree that prescribed Community Amateur Sports Clubs should be exempt? Please explain your views.

(a) YES. THE VERY NATURE OF THE CLUB WOULD INDICATE THAT MEMBERS DO NOT GO THERE TO DRINK TO EXCESS NOR ARE THEY LIKELY TO BE GUILTY OF ANTI-SOCIAL BEHAVIOUR.

Consultation Question 13 – EXEMPTIONS – COMMUNITY PREMISES

(a) Do you agree that prescribed Community Premises should be exempt? Please explain your views.

(a) YES. THESE PREMISES ARE USED BY CITIZENS OF ALL AGES - FROM TODDLERS TO ADULTS. THERE WILL ALWAYS BE ADULTS WHO RUN THE PREMISES TO CONTROL WHATEVER SOCIALISING THAT TAKES PLACE.

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Consultation Question 14 – EXEMPTIONS – COUNTRY VILLAGE PUBS

(a) Do you agree that prescribed Country Village Pubs should NOT be exempt? Please explain your views.

(a) YES. THE VILLAGE PUB SHOULD NOT BE EXEMPT.
IT'S MAIN TRADE IS ALCOHOL WHETHER FROM
LOCAL PEOPLE OR PASSING TRAVELLERS
AND THE POTENTIAL FOR TROUBLE IS ALWAYS THERE.

Consultation Question 15 – EXEMPTIONS – BUSINESS IMPROVEMENT DISTRICTS

(a) Do you agree that prescribed BID premises should NOT be exempt? Please explain your views.

(a) SORRY. I DO NOT KNOW ENOUGH
TO COMMENT

Consultation Question 16 – EXEMPTIONS – NEW YEAR'S EVE/DAY

(a) Do you agree that premises that only operate on New Year's Day between midnight and 6am should be exempt? Please explain your views.

(10)

(a) YES. NEW YEAR'S EVE / DAY is by tradition
- A TIME TO CELEBRATE. - ANYTHING CAN HAPPEN
BUT THE MAJORITY OF THE POPULATION
ACCEPT THAT, IF THAT IS THE ONLY TIME / DAY IN THE YEAR
THE PREMISES ARE GOING TO BE OPEN AFTER MIDNIGHT.
THEN YES - THEY SHOULD BE EXEMPT FROM ANY LEVY.

Consultation Question 17 - REDUCTIONS - SMALL BUSINESS RATES RELIEF

(a) Do you agree that prescribed premises that receive Small Business Rate Relief should NOT be entitled to a reduction in the levy? Please explain your views.

(a) AGREED. NO RELIEF. BEING SMALL DOESN'T
MEAN THEY HAVE WELL BEHAVED CLIENTS. THEIR CLIENTS
COULD CAUSE AS MUCH TROUBLE AS ANY IN LARGER PREMISES.
THEY MUST CALCULATE THEIR LEVY CHARGE IN THEIR
BUSINESS PLAN. TO EXEMPT THEM WOULD BE UNFAIR
TO OTHER PREMISES.

Consultation Question 18 - REDUCTIONS - BUSINESS-LED BEST PRACTICE SCHEMES

(a) Do you agree that at this time members of Business-Led Best Practice Schemes should NOT be entitled to a reduction? Please explain your views.

(b) Do you agree that such a scheme should be developed? If so, what should be the details? How can it be developed? How will it be led?

(c) If such a scheme were to be developed, do you agree that members should be entitled to a discount?

(a) YES - AGREED NO REDUCTION FOR BEST PRACTICE SCHEMES
WHO WOULD MONITOR SUCH A SCHEME - IT WOULD
BE LIKE "PUB ALERT" WHICH DOESN'T REALLY WORK
DRUNK ARE NOT BARRED - THEY STILL GO FROM PUB TO PUB
OR CLUB TO CLUB. LANDLORDS CONSIDER THEIR PROFITS
BEFORE ANYTHING ELSE.

(b) NO.

(c) NO.

Consultation Question 19 – SPLIT LEVY BETWEEN POLICE & COUNCIL

(a) Do you agree that the net revenue from the levy should be split 70:30 between the Hampshire Police and Crime Commissioner and the Council? Please explain your views.

(b) If you think that the Hampshire Police and Crime Commissioner should receive a larger (than 70%) proportion of the net revenue, please state what percentage you propose? [N.B. It is not possible to reduce the proportion to below 70%.] Please explain your views.

(a)
NO. - THE SPLIT SHOULD BE 75% TO HAMPSHIRE POLICE & C.C. and 25% TO THE COUNCIL.
THE COUNCIL ALREADY HAS MANY OF ITS BASIC SERVICES IN PLACE eg. STREET CLEARING
THEIR EXTRA 25% could help with street pastois AND WHATEVER ELSE IS NEEDED AS A RESULT OF N.T.E

(12)

75% for HAMPSHIRE POLICE

(b) THE NUMBER, OF ALCOHOL RELATED INCIDENTS, IS TOO HIGH AND OBVIOUSLY MORE ACTION IS NEEDED TO CONTROL THIS.

STRICTER REGULATION REGARDING LOCATION OF LATE NIGHT VENUES AND TYPE OF PREMISES.

MORE MOBILITY - USE OF BIKES, MOTOR BIKES / MORE FOOT PATROLS TO PREVENT CRIMES AGAINST PERSONS

POLICE TIME TAKEN UP BY STATEMENTS - FOLLOW UP OF CRIMES PURSUING LAW BREAKERS.

NOT ENOUGH PERSONNEL TO COVER EXTENDED NIGHT TIME AREAS
EQ-BENDIS VALLEY / UNSLOW ROAD

Consultation Question 20 - USE OF THE REVENUE

(a) Do you have any comments on the range of activities which the Council would wish to develop using its share of the levy revenue? Is there anything else that you would like to see? Please explain your views.

(b) Would you support developing a single programme delivered in partnership between the Council and the police? What would you like it to cover? Please explain your views.

(a) YES. MORE C.C.T.V. REQUIRED COVERING THE PARKS - I.E. PATHWAYS THROUGH THE PARKS.

THERE NEEDS TO BE STRICTER REGULATIONS REGARDING LATE NIGHT PREMISES AND THEIR IMPACT ON LOCAL RESIDENTS. WHERE DO THEY QUEUE. - WHERE DO THEY EXIT?
 NEEDED FIRE SAFETY INSPECTIONS NOT PHONE CALL ENQUIRY WHERE IS THE EMERGENCY EXT.
 HEALTH & SAFETY CHECKS -
 NOISE CONTROL.

- (b) NOT ONE SINGLE PROGRAMME - TOO MANY DIFFERENCES INVOLVED COUNCIL & POLICE NEED THEIR OWN SEPARATE PROGRAMMES BUT HAVE OCCASIONAL CONSULTATIONS.

Consultation Question 21 – IMPLEMENTATION DATE & TIMETABLE

- (a) Do you agree that the Council should seek to implement the LNL on 1st February 2015? Please explain your views.
- (b) If you think that the LNL should be implemented on a different date, what date do you propose? Please explain your views.
- (c) Have you any other comments on the proposed timetable? Please explain your views.

(a) YES. THE SOONER THE BETTER

(4)

(b) NO.

(c). THE NIGHT TIME LEVY IS AN EXCELLENT IDEA

PLEASE INCLUDE YOUR PERSONAL DETAILS

MY DETAILS ARE:

MY FULL NAME: MRS. EVELYN WALKER

MY ADDRESS: 11, VERULAM ROAD - BEBBIS TOWN - SO14-6RY

MY TELEPHONE NUMBER: 023 80 224 678

MY EMAIL ADDRESS: _____

A Licence Holder

A Resident

A Representative of a Licence Holder

Likely to be subject*/Not likely to be subject* the LNL

(*delete as appropriate)

~~A Licensing Solicitor/Professional~~
~~An Interested Person~~

Other

I AM:

(DELETE as appropriate) (Details of your interest)

HAVE YOU ANY OTHER COMMENTS THAT YOU WISH THE COUNCIL TO CONSIDER?

In my comments I speak from personal experience of the down side of the night time economy, suffering from many years of disturbed sleep from a noisy night club, I also comment on the danger to personal safety having had a grandson attacked and left with a broken jaw when jumped upon by troublemaker from late night premises, in a well used park area where there is no CCTV.

CONFIDENTIALITY

The Council cannot guarantee that any information that you pass to us can be treated as confidential. The Council is subject to a number of regimes that affect disclosure, including the Local Government (Access to Information) Act 1985, the Data Protection Act 1998, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. In particular, your response is likely to be classed as a background paper to future committee reports and open to public inspection.