

Late Night Levy Scheme

Southwark conducted a formal consultation on the introduction of a late night levy across the Borough, in accordance with the Police Reform and Social Responsibility Act 2011 and relevant Regulations. The determination to introduce the levy was made by Full Council on 17 July 2019 with an implementation date of 01 September 2019.

The levy is a discretionary power, which this Council has now adopted. The purpose of the Levy is to assist local authorities and the police to manage and improve the night time economy. The Levy allows the Council to charge a fee to businesses that are licensed to sell/supply alcohol between 00:01hrs and 06:00hrs. This charge applies whether these licensed (permitted) hours are used or not.

The Government considers that businesses who are licensed to, and profit from selling/supplying of alcohol between 00:01hrs and 06:00hrs should contribute towards the costs of managing the night time economy, rather than relying on other taxpayers in the community to bear the full costs.

Date the levy came into effect:

01 September 2019

Hours of Operation (i.e. the hours the levy will apply):

The late-night supply period (levied hours) will be from midnight to 6am (00:01hrs to 06:00hrs) everyday.

Levy fee to Licence holders:

The levy is dependent on the rateable value of the premises and the levy amounts are set by the Government:

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

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

Premises liable to pay the Levy:

The determination of which premises are liable to pay the levy is based on the licensable hours for the sale/supply of alcohol stated on the licence. This means every Licensed Premises permitted to sale/supply of alcohol stated on the licence. This means every Licensed Premises permitted to sale/supply of alcohol (on and/or off sales) between the levied hours (00:00hrs to 06:00hrs) will have to pay the Levy.

The levy will apply whether the hours for the sale/supply of alcohol detailed in the licence are used or not. For example if a Business has a licence, which permits them to sale/supply of alcohol until 02:00hrs (i.e. within the levied hours) however the Business regularly closes at 23:30hrs they will still have to pay the levy.

Exemptions from the levy:

The following premises are allowed an exemption:

- a) Premises with overnight accommodation (*this exemption does not apply to any premises which serve alcohol to members of the public who are not staying overnight at the premises*);
- b) Theatres and cinemas (*this exemption only applies if alcohol is sold during the late night supply period, only for consumption on the premises, to ticket holders, participants in the production or invited guests to private events; they must be bona-fide theatres or cinemas and the sale of alcohol must not be their primary purpose*);
- c) Community Amateur Sports Clubs (*these are clubs registered as Community Amateur Sports Clubs that are entitled to various tax concessions including relief from business rates*);
- d) New Years Eve premises only (*this applies to premises which are authorised to sell/supply alcohol between midnight and 6am, and applies ONLY on New Year's Day*).

Temporary Event Notices (TENs) and the levy:

TENs are exempt from the Late Night Levy because they are not included within the scope of the legislation governing the levy.

Reduction:

The Council has decided that a reduction of 30% be granted to premises licence holders in relation to on-trade premises that are in receipt of Small Business Rate Relief (as specified in Part III of the Local Government Finance Act 1988) and have a rateable value of £12,000 or less.

Collection of the levy:

All licensed premises in Southwark authorised to sell alcohol between 00:01 and 06:00 hours have to pay an annual levy of between £299 and £4,400, depending on their rateable value and whether the premises are primarily or exclusively used to sell alcohol for consumption on the premises. The levy is paid along with the annual premises licence fee.

Action the Council can take for non-payment of the levy:

The money can be recovered as a civil debt, but it would also result in the premises licence being suspended; this scenario would mean that the business could not carry out any licensable activities until the levy has been paid.

Spending of the levy revenue:

The Council can recover all costs associated with the administration of the levy system. These are the costs that the Council incurs with the introduction or variation, administration, collection and enforcement of the levy.

The amount leftover after the above deductions (the net levy revenue) must be split between the Mayor's Office of Policing and Crime (MOPAC) and the Council, on a 70/30 basis, in favour of MOPAC. MOPAC has agreed that the whole amount will be held in a central trading I account. The allocation of this funding will then be managed through our current Night Time Economy contract with the Metropolitan Police.

The council is restricted as to what it can use the funds for; it must be used to fund services to tackle late night alcohol-related crime and disorder and services connected to the management of the night-time economy. The Council can only spend the money on the following measure:

- Reduction of crime and disorder;
- Promotion of public safety;
- Reduction or prevention of public nuisance;
- Cleaning of any relevant highway or relevant land within the Borough.

How the remaining monies will be spent will be decided by a Board made of Police, Council and representatives of local residents and businesses.