

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2372

Title: Late Night Levy Research

Executive Summary:

In his new London Plan the Mayor asks boroughs to produce Night Time Strategies. He will publish guidance to help them do this (approved under cover of MD2451). The guidance will include case studies and advice on the management of high streets and town centres at night in order to help them thrive and benefit local communities.

Licensed premises are an important economic and social part of London's high streets and town centres at night. A range of schemes across London exist that promote good management of high streets, town centres and premises. In some boroughs, funding for these schemes is raised through a Late Night Levy.

Local authorities have the power to introduce a Late Night Levy following public consultation. Six authorities have so far adopted the levy in London. However, there is currently no evaluation of how the levy operates nor the impact it is having.

This proposed decision to award a grant under section 121 of the GLA Act 1999 to the Mayor's Office for Policing and Crime (MOPAC) will enable research to be commissioned into the operation and impact of the Late Night Levy in London, including analysis of crime and antisocial behaviour. This will ensure that future GLA policies, guidance and consultation responses to local authorities, or the government, on the Late Night Levy are evidence based.

Decision:

That the Assistant Director for Culture and Creative Industries approves:

A section 121 grant from the GLA to MOPAC of £25,000, which MOPAC will use to pay for research into the operation and impact of the Late Night Levy in London, including analysis of crime and antisocial behaviour in Late Night Levy boroughs.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Shonagh Manson

Position: Assistant Director for Culture and Creative Industries

Signature:



Date:

18.10.19

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. In January 2019, the Mayor and London's Night Time Commission published research showing that two-thirds of Londoners are regularly active at night; running errands, socialising or taking part in community, leisure or educational activity. 1.6 million people (one-third of London's workforce) usually work at night, primarily in health, social care, hospitality, culture or office-based professions. The economy is growing faster at night than in the day and local councils see increased activity at night as vital to the future success of high streets.
- 1.2. The Mayor has appointed a Night Czar and set up a 24-Hour London programme. He has launched the Night Tube, published his Vision for London as a 24-Hour City and carried out the most comprehensive research on any city at night. He set up an independent Night Time Commission which delivered its final report, Think Night, in January 2019. The commission proposed that London would benefit from better planning to ensure life can thrive between 6pm and 6am. The Mayor welcomed the commission's report and recommendations and is putting them into action.
- 1.3. Pursuant to of MD2451 the Mayor approved a budget of £257,000 in 2019/20 to take forward the recommendations of the Night Time Commission and support the work of the Night Czar. This includes running a Night Time Enterprise Zone pilot project, carrying out research into the impact of later opening hours, setting up a late night transport working group and publishing guidance for boroughs to help them develop Night Time Strategies. These strategies are proposed in the new London Plan. The guidance will include case studies and best practice examples that promote good management of high streets and town centres at night.
- 1.4. Good practice in licensing, policing and community safety is essential to the effective management of high streets and town centres at night. Night time activity on the high street is often centred around licensed premises such as cultural spaces, music venues, theatres, pubs, bars, clubs and restaurants. That is why the Mayor made a commitment in his Police and Crime Plan and his Culture Strategy to help boroughs, businesses and police improve consistency of licensing practice across the capital.

Late Night Levy

- 1.5. A range of schemes promote the sustainable management of high streets and town centres at night. In some areas, funding for such schemes is raised through a Late Night Levy.
- 1.6. Local authorities were given the power to introduce a Late Night Levy through the *Police Reform and Social Responsibility Act 2011 (PRSRA 2011)*. This discretionary power enables licensing authorities in England and Wales to raise a contribution towards policing the night time economy from licenced premises. The levy must cover the whole of the licensing authority's area and can be applied every night between midnight and 6am.
- 1.7. The amount of the levy is prescribed nationally and is based on the current licence fee system under the *Licensing Act 2003*, with premises licence holders placed in bands based on the rateable value of their premises. In London, the net levy revenue must be split between the licensing authority and the Mayor's Office for Policing and Crime (MOPAC). At least 70% of the net revenue must be given to the police, with the licensing authority retaining up to 30% to fund services it provides to manage its high streets and town centres at night. These must be in connection with the supply of alcohol during the late night supply period and related to arrangements for: the reduction of crime and disorder; the promotion of public safety; the reduction or prevention of public nuisance; or the cleaning of any relevant highway or relevant land in the local authority area. In London, MOPAC has agreed that each of the local authorities to have introduced the levy will retain 100% of the net revenue.
- 1.8. Currently six local authorities in London operate a Late Night Levy: the City of London (since Oct 2014); Islington (since Nov 2014); Camden (since Apr 2016); Hackney (since Nov 2017); Tower

Hamlets (since Jan 2018); Southwark (since Sep 2019). Redbridge has begun public consultation on whether to introduce a Late Night Levy.

- 1.9. The *Policing and Crime Act 2017* introduced reforms to the Late Night Levy. They were: allowing licensing authorities to target specific geographical locations; extending the levy to include late night refreshment outlets; enabling Police and Crime Commissioners to request that the licensing authority introduces a levy; requiring licensing authorities to publish information about how funds raised by the levy are spent. These changes would be likely to increase the number of London boroughs that introduce the Late Night Levy.
- 1.10. In April 2017 a House of Lords Select Committee report said that the levy in its current form had failed to achieve its objectives and should be abolished. However, it did recognise that the 2017 Act's changes might "stand some chance of successfully reforming" it.
- 1.11. In its response (November 2017), the Government said that it would be commencing the provisions of the 2017 Act. However, it would not commence the measure allowing licensing authorities to charge the levy to late night refreshment premises until it had consulted on the appropriate level of the charge.
- 1.12. To date, the provisions of the 2017 Act have not commenced and the consultation has not been undertaken.
- 1.13. Introductions of Late Night Levies in London have proven contentious. Night time businesses have claimed that the levy unfairly discriminates against licensed businesses that operate after midnight, whilst daytime businesses that place a burden on police and council resources do not pay additional charges.
- 1.14. The number of licensed premises is increasing in many boroughs whilst local authority licensing budgets are not increasing to meet the growing demand on services.
- 1.15. There is currently no evaluation of how levy funding is used across different boroughs nor the impact, positive or negative, that it is having. Research is required to better understand how the Late Night Levy is used in London and the impact that it is having, particularly the impacts on crime and antisocial behaviour. This will enable the Mayor to take an evidence-based position on its impact and effectiveness, particularly when responding to local authority or government consultations on the introduction of (or changes to) the Late Night Levy. The research will also inform the guidance that the Mayor has committed to publishing to help boroughs produce Night Time Strategies.
- 1.16. MOPAC will undertake the procurement process and manage the appointed consultant. MOPAC have specialist expertise in procuring and managing research of this nature. The consultant that will deliver bespoke research and analytics exploring how the Late Night Levy operates and the impact it is having across various London boroughs. The consultant will carry out both quantitative and qualitative research. The research will be overseen by a joint GLA and MOPAC working group chaired by the Night Czar.

2. Objectives and expected outcomes

Objectives

- 2.1. The objective of the research to be commissioned and procured by MOPAC is to provide insights into:
 - The rationale for boroughs introducing the levy; how the levy has been operated; details of levy income and expenditure; a description of activities funded.
 - What impact the levy has had. This will include data on the number of businesses paying the levy; the number of businesses that changed their opening hours following the introduction of the levy; an assessment of whether the levy has addressed the aims that were set by the local authority; an assessment of benefit to communities, the local authority and businesses; an assessment of the impact of the levy on vulnerable Londoners.

- Perceptions towards the levy across a range of stakeholders both within boroughs that have adopted the levy and in areas without the levy or considering uptake.
 - Preliminary results analysis exploring crime and antisocial behaviours in Late Night Levy boroughs, compared to similar areas without the levy, before and after implementation.
- 2.2. The consultant will produce a final report to be submitted to MOPAC and the GLA by Spring 2020.

Outcomes

- 2.3. Future Mayoral policies, published guidance and consultation responses related to the Late Night Levy and management of town centres and high streets at night, will be evidence based.
- 2.4. Boroughs will have an evidence base to inform their decision making on retention, or introduction, of the Late Night Levy.

3. Equality comments

- 3.1. Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2. This work will be procured according to the GLA Group Responsible Procurement Policy.
- 3.3. The impact of the Late Night Levy on vulnerable Londoners and those in protected groups under the Equality Act will be considered as part of the research.

4. Other considerations

- 4.1. This work supports the delivery of the following Mayoral commitments and strategies:
- the Mayor's Culture Strategy policy 18, commitment 77 to support boroughs to improve consistency in licensing practice across the capital;
 - the Mayor's Police and Crime Plan policy on improving consistency of licensing practice;
 - the Mayor's Economic Development Strategy;
 - the Mayor's Vision for London as a 24-Hour City; and
 - the Mayor's new London Plan request for boroughs to produce Night Time Strategies.

5. Financial comments

- 5.1. The expenditure of up to £25,000 will be funded from the 2019-20 Communities and Intelligence's Minor Programme budget.

6. Legal comments

- 6.1. Section 3(6) of the PRSRA 2011 provides that MOPAC must secure the maintenance of the metropolitan police force and secure that the metropolitan police force is efficient and effective. Paragraph 7 of Schedule 3 to the PRSRA provides that MOPAC may do anything which is facilitative of, or conducive or incidental to, the exercise of its functions. The proposed research is designed to better understand how the Late Night Levy is used in London and the impact it is having. One of the key objectives of the research is to explore crime and antisocial behaviours in boroughs who have implemented the levy compared to similar areas without the levy. Furthermore, the PRSRA 2011 requires that 70% of the net revenue from the levy must be given to the police, although in London, MOPAC has agreed that each of the licensing authorities to have introduced the levy will retain

100% of the net revenue. The commissioning of the proposed research is therefore consistent with MOPAC's functions under section 3(6) of the PRSRA 2011.

- 6.2. It is proposed that the GLA provide MOPAC with £25,000 funding to cover the cost of commissioning the research into the operation and impact of the levy in London. Under s.121(1) of the Greater London Authority Act 1999, the GLA may transfer funding by way of grant to MOPAC towards meeting revenue expenditure incurred, or to be incurred, by it for the purposes of, or in connection with, the discharge of MOPAC's functions. Such grants must not be made subject to any limitation in respect of such expenditure which it may be applied towards meeting other than that the expenditure must not be capital expenditure. The recipient is under a duty to apply the grant towards expenditure incurred or to be incurred by that body for the purposes of, or in connection with, the discharge of its functions. MOPAC has indicated that the £25,000 grant from the GLA is earmarked to commission research into the levy as described in detail in this decision notice.

7. Planned delivery approach and next steps

Activity	Timeline
Request for Quotation issued	October 2019
Contractor Appointed	October 2019
Research completed	January 2019
Final report delivered to MOPAC and GLA	February 2020

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Paul Broadhurst has drafted this report in accordance with GLA procedures and confirms the following:

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 14 October 2019.

ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

14.10.19