

 <b>Regulatory Policy Committee</b>	<b>Opinion</b>	
<b>Impact Assessment (IA)</b>	Late night refreshment – reducing the burdens of the Licensing Act 2003	
<b>Lead Department/Agency</b>	Home Office	
<b>Stage</b>	Final	
<b>IA number</b>	Not provided	
<b>Origin</b>	Domestic	
<b>Expected date of implementation (and SNR number)</b>	October 2013 (SNR6)	
<b>Date submitted to RPC</b>	06/08/2013	
<b>RPC Opinion date and reference</b>	27/08/2013	RPC13-HO-1497(3)
<b>Overall Assessment</b>	<b>GREEN</b>	
<p><b>RPC comments</b></p> <p>The IA is fit for purpose. In response to our previous Opinion, dated 27/06/2013, the IA now includes further information to support the assumptions used regarding the number of businesses which will become new providers of late night refreshment. The IA should articulate clearly the interaction between these proposals and those to enable alcohol sales at motorway service areas.</p>		
<p><b>Background (extracts from IA)</b></p> <p><b>What is the problem under consideration? Why is government intervention necessary?</b></p> <p>Late night refreshment (LNR) – i.e. the provision of hot food and drinks between 11 pm and 5 am - is regulated under the Licensing Act 2003 (“the 2003 Act”) given its links to alcohol fuelled crime and disorder in the night-time economy. However, not all LNR provision has such links to late night drinking; and not all LNR premises are trouble hotspots. An obvious example could be LNR at many motorway service areas (MSAs) or other roadside facilities. The Government wishes to lift regulation in cases where there is no risk to the licensing objectives by allowing businesses to provide late night refreshment. This follows the theme of the Red Tape Challenge to remove the unnecessary bureaucratic burdens of the licensing process on business without undermining the licensing objectives. This assessment evaluates and a proposes new local discretion for licensing authorities to determine how regulation on LNR licensing is applied in their areas, reducing onerous burdens on business and increasing opportunities for local growth.</p> <p><b>What are the policy objectives and the intended effects?</b></p> <p>The Government aims to put in place measures to enable licensing authorities (LAs) to use local discretion to implement exemptions for the provision of LNR licensing by amending the 2003 Act so that LNR may be an exempt activity (if the LA so decides) on the basis of <u>one</u> of the following options: (1) in part of their area; (2) by type of premises; or (3) permitting LNR without need for authorisation within an agreed time frame. This will allow LAs to make local decisions on exempting LNR venues, within agreed specific circumstances, that are not</p>		

connected to the night time economy.

**Comments on the robustness of the OITO assessment**

The IA says that it is a deregulatory proposal that is net beneficial to business (an OUT) with an equivalent annual net cost to business of -£0.34m. This assessment appears to be reasonable and is consistent with paragraph 1.9.11 of the Better Regulation Framework Manual (July 2013).

**Comments on the robustness of the Small & Micro Business Assessment (SMBA)**

The proposals are out of scope of the requirements for an SMBA in accordance with paragraph 1.6.4 of the Better Regulation Framework Manual. An SMBA is not required as the proposal does not increase the burden of regulation on business.

**Quality of the analysis and evidence presented in the IA**

*Best estimate of business numbers.* The IA recognises that there is significant uncertainty over the number of new entrants likely to come forward as a result of these proposals. The IA would benefit from including further evidence gathered to support the assumptions used, but the Committee recognises that the further consultation needed to gather that information may be disproportionate in this instance.

*Interaction with proposals for enabling sales of alcohol at MSAs.* The IA recognises that there is a potential interdependency with proposals to enable alcohol sales at MSAs, but does not include any discussion of how these proposals may impact on the number of businesses likely to benefit from the proposals.

*Consultation responses.* In response to comments raised in our previous Opinion of 27/06/2013, the IA includes additional information relating to the consultation outcome (paragraphs 17 and 18). It is, however, not clear whether the additional points raised relate solely to the treatment of MSAs or the wider proposals. It seems that exempting types of premises from the current Licensing Act provisions was not favoured by licensing officers and the police raised concerns. Also, respondents to the consultation appear to have expressed opposition to exemption according to area or type of premises. The IA should explain more clearly how the technical group discussions relate to the results of the wider consultation.

**Signed**



**Michael Gibbons, Chairman**