

Title: Late Night Refreshment - Reducing the burdens of the Licensing Act 2003 IA No: HO Lead department or agency: Home Office Other departments or agencies: Department for Transport (DfT).	Impact Assessment (IA)		
	Date: 27 July 2012		
	Stage: Consultation		
	Source of intervention: Domestic		
	Type of measure: Primary legislation		
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Summary: Intervention and Options	RPC Opinion: Awaiting Scrutiny
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Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, One-Out? Measure qualifies as One-Out?
£2.4m	£2.4m	-£0.28m	Yes OUT

What is the problem under consideration? Why is government intervention necessary?

The Government is committed to reducing administrative burdens and giving more flexibility to local authorities by giving them greater freedom to take decisions that reflect the needs of their local community. Under the Licensing Act 2003 (the 2003 Act), the “provision of late night refreshment” (LNR), the supply of hot food and drink after 11pm, is a licensable activity in much the same way as the sale of alcohol. This assessment evaluates the Government’s proposals to consult on reducing the burdens on those who provide LNR but do not provide other licensable activities.

What are the policy objectives and the intended effects?

To reduce the unnecessary bureaucratic burdens of the licensing process, without undermining the public protection objectives of the licensing system.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 1: is to make no change (do nothing).
Option 2: To extend the nationally-prescribed exemptions for the provision of LNR in specified circumstances, such as at Motorway Service Area (MSAs).
Option 3 and 4: To enable a licensing authority, after consultation with other responsible authorities, to exempt either certain types of premises (Option 3) or certain parts of its area (Option 4) from the requirement to have an authorisation for LNR.

There is no preferred option at this stage. The figures above illustrate the potential net present values of Option 3.

Will the policy be reviewed? It will/will not be reviewed. **If applicable, set review date:** TBC through consultation

Does implementation go beyond minimum EU requirements?		Yes			
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro Yes	< 20 Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded:		Non-traded:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: Lord Henley  Date: 27/7/12

Summary: Analysis & Evidence

Policy Option 2

Description: To extend the nationally-prescribed exemptions for the provision of LNR in specified circumstances, such as at Motorway Service Area (MSAs).

FULL ECONOMIC ASSESSMENT

Price Base Year 2011	PV Base Year 2011	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 0.4	High: 0.4	Best Estimate: 0.4

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	Negligible	N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

No costs.

Other key non-monetised costs by 'main affected groups'

There will be a small cost to enforcement agencies in familiarising themselves with a new centrally-prescribed exemption.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	0.04	0.4
High	Optional	0.05	0.4
Best Estimate	N/A	0.05	0.4

Description and scale of key monetised benefits by 'main affected groups'

The main benefit will be to suppliers of late night refreshment that are exempted under the proposed new arrangements. They will no longer incur the administrative costs and fee costs of applying for and possessing licences.

Other key non-monetised benefits by 'main affected groups'

The current proposed exemption category, MSAs, all in fact provide late night refreshment already. However, should other exemption categories be identified, there is a potential that consumers will benefit from increased choice.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

Option 2 proposes a very limited exemption. We will invite proposals for further potential exemptions during the consultation process, and address them in a revised IA as appropriate.

The Government is consulting upon a number of de-regulatory licensing measures. This means that the estimated "outs" are subject to interdependencies; and may, at consultation stage, contain "double counting" that will be addressed at implementation stage. (For example, the estimated benefit of simplifying an administrative process should not necessarily include businesses that may not need to conduct that process in the future.)

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:	In scope of OIOO?	Measure qualifies as
Costs: Neg	Yes	OUT
Benefits: 0.04		
Net: 0.04		

Summary: Analysis & Evidence

Policy Options 3 and 4

Description: Enabling local exemptions for either certain types of premises (Option 3) or certain areas (Option 4) from the requirement to have a licence to provide LNR.

FULL ECONOMIC ASSESSMENT

Price Base Year 2011	PV Base Year 2011	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 0.3	High: 4.6	Best Estimate: 2.4

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

No costs.

Other key non-monetised costs by 'main affected groups'

Local discretion to exempt LNR (Option 3 or 4) could involve implementation costs to local authorities in making a decision, and (potentially) revoking or amending that decision.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	0.03	0.3
High	Optional	0.5	4.6
Best Estimate	N/A	0.3	2.4

Description and scale of key monetised benefits by 'main affected groups'

The main benefit will be to suppliers of late night refreshment that are exempted. They will no longer incur the administrative costs and fee costs of applying for and possessing licences. We have tentatively estimated a range of possible benefits.

Other key non-monetised benefits by 'main affected groups'

There may be a small increase in profits from those businesses that did not previously provide late night refreshment, and are now able to do so without possessing a licence. Consumers may benefit from increased choice.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

Further work and consultation is required with local authorities and businesses to determine the merits of locally determined exemptions from LNR. If such a system were introduced, there is a risk that licensing authorities will take a cautious approach and not use it.

The Government is consulting upon a number of de-regulatory licensing measures. This means that the estimated "outs" are subject to interdependencies; and may, at consultation stage, contain "double counting" that will be addressed at implementation stage. (For example, the estimated benefit of simplifying an administrative process should not necessarily include businesses that may not need to conduct that process in the future.)

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs: N/A	Benefits: 0.28	Net: 0.28	Yes	OUT

Evidence Base (for summary sheets)

Strategic Overview

- 1) **Background:** On 23 March 2012, the Government published its Alcohol Strategy, setting out a range of measures to tackle the issue of excessive alcohol consumption and its associated harms¹. The Alcohol Strategy included a commitment to consult on giving licensing authorities greater freedom to take decisions that reflect the needs of their local community, including, where appropriate, to reduce the burdens of the licensing regime and support local growth. This followed the “hospitality theme” of the Red Tape Challenge, in which members of the public and businesses were invited to suggest regulations that should be scrapped or simplified.

The Government is committed to removing unnecessary regulation and to exploring how it can make the day to day process of licensing as easy as possible for responsible businesses. The consultation on the delivery of the Alcohol Strategy sets out proposals for cutting red tape in the licensing system, including a number of ways in which we wish to reduce the burdens of licensing on local organisations such as community and arts groups and schools, and businesses that are not connected to alcohol-related problems.

- 2) **Impact of the wider Alcohol Strategy:** It is important to note that there will be impacts (both costs and benefits) from the other policies arising from the Government’s Alcohol Strategy but for the purpose of this pre-consultation assessment we are appraising proposals to reduce the burdens on Late Night Refreshment in isolation. Impact assessments will be revised following public consultation to reflect the agreed and combined package of measures being taken forward.
- 3) **Pre-consultation Impact Assessment:** This is a pre-consultation Impact Assessment and is based on the best available evidence at the point of publication. We have set out within the Impact Assessment the areas where we hope to increase our evidence base through additional research and / or the consultation process. Impact estimates (both costs and benefits) therefore remain subject to change.
- 4) **Groups Affected**

Licensing authorities

Licensing authorities are responsible for the administration of the 2003 Act. They would be responsible for the implementation of any locally-determined exemptions; and would need to familiarise themselves with any centrally-determined exemptions.

The police and other Responsible Authorities

The police and other responsible authorities, particularly licensing authorities, are currently responsible for the enforcement of the framework of the 2003 Act as it affects late night refreshment, and would remain responsible if there were further exemptions. They would input into any decision on locally-determined exemptions.

Suppliers of late night refreshment

Suppliers of late night refreshment that do not provide other licensable activities will potentially benefit from exemptions.

Consumers

There is a possibility that consumers will benefit from increased choice of late night food and drink.

Consultation

- 5) **Within Government:** Cabinet Committee clearances were gained for the publication of the Alcohol Strategy, including the outcomes of the Red Tape Challenge hospitality theme. These clearances include official and Ministerial level discussions with other Government departments, including the Department of Health, Department for Business, Innovation and Skills, Her Majesty’s Treasury, HM

¹ The Alcohol Strategy is available on the Home Office website: <http://www.homeoffice.gov.uk/publications/alcohol-drugs/alcohol/alcohol-strategy>

Revenue and Customs, The Department for Culture, Media and Sport, and the Department for Communities and Local Government.

Public Consultation: Respondents to the Red Tape Challenge suggested that the burdens of licensing be reduced for those providing Late Night Refreshment. This Impact Assessment has been developed in advance of a further public consultation on specific proposals. Government officials have previously held discussions with local authorities and the hospitality industry. To assist with the effective design of our consultation, officials will continue to hold discussions with representatives from the hospitality industry, licensing authorities, the police, and other interested parties.

Rationale for intervention

- 6) An effective and proportionate regulatory framework is essential to public safety and crime prevention and will also ensure that responsible businesses are not undermined by irresponsible businesses. If misused, alcohol is a dangerous substance and the Government takes the view that the overall framework provided by 2003 Act, as amended in by the Police Reform and Social Responsibility 2011, is appropriate. However, a well-run and diverse hospitality industry has the potential to boost growth and representatives of this industry have highlighted concerns as part of the Red Tape Challenge about some of its administrative burdens. The Government is committed to removing unnecessary regulation and to exploring further how it can make the day to day process of licensing as easy as possible for all responsible businesses. The policy objective behind this proposal in this Impact Assessment is to reduce the administrative burdens of the the 2003 Act without undermining the licensing objectives².
- 7) The provision of late night refreshment (LNR) is the supply of hot food and drink to the public after 11pm. It is a “licensable activity” under the 2003 Act because of the problems that can occur, for example, outside late night takeaways, which undermine the licensing objectives. The police and other agencies greatly value the safeguards licensing provides, such as the ability to impose conditions on these premises.

Centrally-determined exemptions (Option 2 – MSAs and further possible exemptions)

- 8) Centrally-determined exemptions already exist for, for example, staff canteens and charitable supplies. While we believe that regulation of the provision of late night refreshment should continue, there may be scope to extend the exemptions from licensing for businesses that provide late night refreshment but do not sell alcohol and are not associated with the alcohol-related late night economy.
- 9) **Motorway Service Areas (MSAs)** the Government is proposing (Option 2) that MSAs that do not provide other licensable activities are exempt from the requirement to possess an authorisation to provide LNR. MSAs are external to the alcohol-related late night economy, and are expected to provide LNR for the benefit of road users. They are, in general, currently prohibited from selling alcohol³. It is thought highly unlikely that the provision of LNR at MSAs will undermine the licensing objectives. The exemption would be nationally-prescribed, in common with the existing exemptions that benefit, for example, hotels making supplies to guest; staff canteens making supplies to staff; and supplies made on vehicles. These existing exemptions are not known to have undermined the licensing objectives.
- 10) **Further exemptions:** The Government is consulting on whether there are other categories of premises and/or supplies that possess characteristics similar to those described for MSAs and the existing exemptions, and which will, therefore, not undermine the licensing objectives. We will conduct a regulatory impact assessment for any proposals that emerge in the consultation.

Discretionary Local Exemption (DLE) (Options 3 and 4)

- 11) In addition to considering further centrally-determined exemptions, we will consult on whether local licensing authorities should have the power to create exemptions within their area from the need to have a licence to provide LNR (at premises that provide no other licensable activities). This could

² The four licensing objectives (which all have equal status) are: the prevention of public nuisance; the prevention of crime and disorder; public safety; and the protection of children from harm.

³ It is thought that the application of the restriction is currently mixed. We are consulting on whether this restriction should be completely or partially lifted. This proposal and that proposal are interdependent, and may be mutually exclusive.

relate either to parts of their area (Option 4), or types of premises (Option 3), where LNR is not connected to the alcohol-related late night economy and will not undermine the licensing objectives. This could be, for example, locations in which people work late at night (such as industrial estates, markets or at transport hubs such as ports). The forthcoming consultation will test the appetite for such powers, and the possible scope of local implementation if they were introduced.

12) Options for consultation

Option 1: is to make no change (do nothing).

Option 2: To increase the existing nationally-prescribed exemptions for the provision of LNR in specified circumstances, including at MSAs. (This option could be implemented alongside either Option 3 or Option 4, or by itself).

Option 3: To enable a licensing authority, after consultation with other responsible authorities, to exempt certain **types of premises** from the requirement to have an authorisation for LNR; or

Option 4: To enable a licensing authority, after consultation with other responsible authorities, to exempt premises in certain **parts of its area** from the requirement to have an authorisation for LNR.

Appraisal (Costs and Benefits)

General assumptions & data

OPTION 2 – To extend the nationally-prescribed exemptions for the provision of LNR in specified circumstances, such as at MSAs.

Costs

- 13) There will be familiarisation costs for licensing authorities and other enforcement agencies. However, MSAs are already a defined class of premises within the 2003 Act, and these costs should be extremely minimal.

Benefits

- 14) MSAs will no longer have to apply for; vary; or possess licences to provide LNR only. There are 95 MSAs in England and Wales that are restricted from selling alcohol⁴. They are thought to all provide LNR.
- 15) **Annual fee benefits:** Discussions with licensing officers indicate that, although there might be numerous outlets within each MSA, each one possesses a single licence. Annual fees for licences vary from £70 to £350, based on the non-domestic rateable value (NDRV) band of the premises. We will assume that MSAs, as very large premises with high turnovers, are all in the highest band. The annual fee saving is therefore $£350 \times 95 = £33k$.
- 16) **Application administration costs:** The average administrative cost of applying for licences has been estimated as ranging from £482 - £1,070, depending on the complexity of the application⁵. Assuming, as above, that MSAs all fall in the highest NDRV band, they will pay a fee of £635 on application, meaning that the estimated administrative cost and fee saving of not having to apply for licences is £1,116 - £1,705. Around nine new MSAs have opened per year over the last four years⁶. Assuming this is typical, the annual cost savings will be around £10k- £15k.

⁴ Figure provided by the Highways Agency.

⁵ See impact assessment for "Licensing Act 2003: proposals to reduce burdens of licensing on those who sell limited amounts of alcohol as part of a wider service". (2012)

⁶ Figures provided by the Highways Agency.

- 17) The total annual saving to business from Option 2 (annual fees and applications) is an estimated **£43k - £48k**, in the first year. This saving could increase over 10 years, as it is likely that there would be an increase in the number of MSAs, but we have not quantified this amount due to a lack of data.
- 18) The total benefits of option 2 is expected to be between £370k and £420k in present values over 10 years,
- 19) INs: There would be minimal familiarisation costs to businesses.
- 20) OUTs: This option would generate an OUT of about £43k to £48k per year (2009 prices). The best estimate being £45k per year (2009 prices). Therefore, this option would result in a Net OUT of around £45k per year (2009 prices).

Risks

- 21) This proposal is interdependent with an alternative proposal to remove (completely or partially) the restriction on alcohol sales at MSAs. Should the alternate proposal to completely remove the restriction on alcohol sales be implemented, Option 2 would have no remaining rationale. (Firstly, MSAs would no longer be alcohol-free environments. Secondly, they would need to obtain licences to sell alcohol, meaning that there would be no significant cost saving in obtaining authorisation for LNR).

OPTIONS 3 and 4: To enable a licensing authority, after consultation with other responsible authorities, to have local discretion to exempt certain **types of premises** from the requirement to have an authorisation for LNR; and / or to exempt premises in certain **parts of its area**.

Costs

- 22) To implement a discretionary local exemption (DLE) for LNR, a licensing authority would have to go through a process of consideration and implementation. In very rare cases, it is possible that a DLE would have to be revoked, with a similar procedure. As part of the consultation process, we will work with local partners to consider the details of this process.

Benefits

- 23) Each premises that benefits from a DLE would save the cost of obtaining and possessing a licence. The average annual fee is £193 and the average application fee is £235⁷. The average cost of obtaining a licence has been estimated as £482 - £1,070 (not including the fee, or £717 - £1,305 with the fee) at the outset (and £193 in subsequent years).

Number of potential beneficiaries:

- 24) Premises currently licensed to provide LNR only: Premises that provide other licensable activities, including alcohol sales, will not benefit from a DLE. The licensing statistical bulletin⁸ provides a figure for the number of premises licensed to provide LNR in 2009-10, 84,900. However, the bulletin does not provide a precise figure for the number of premises that provide LNR and do not provide other licensable activities (such as alcohol or regulated entertainment). We do know that 33,700 licences did not permit alcohol. Licences that do not authorise alcohol may authorise regulated entertainment (RE) or LNR, or both. A recent estimate has been made that there are around 21,000 premises authorised for RE only⁹. Assuming there are very few premises with authorisation for both RE and LNR but not alcohol sales, this implies around 12,000 premises licensed for LNR only.

⁷ Figures developed using modelled estimates from the 2008-09 licensing stats bulletin (the most recent data available on fee income by band)

http://webarchive.nationalarchives.gov.uk/+http://www.culture.gov.uk/images/research/Licensing_Statistical_Bulletin_2009.pdf; and estimates of fee band shifts provided by the Valuation Office Agency.

⁸ "DCMS National Statistics Bulletin: Alcohol, Entertainment and Late Night Refreshment Licensing England and Wales, April 2009 – March 2010" http://www.culture.gov.uk/images/research/Licensing_Statistics_Bulletin2010.pdf

⁹ Impact Assessment for the proposal to exempt regulated entertainment from the provisions of the Licensing Act 2003 http://www.culture.gov.uk/images/consultations/IA_deregulation-scheduleone_2011.pdf

- 25) Providers of hot food and drink who may wish to operate after 11pm: There are estimated to be 64,300 restaurants in England and Wales, who may be licensed for LNR, sales of alcohol, and/or, regulated entertainment, or not be licensed at all.¹⁰ If we conservatively assume that at least a quarter of the 64,300 (16,000) are licensed to sell alcohol, and therefore will not benefit, this leaves 12,000 – 48,000 potential beneficiaries. This large range reflects a considerable degree of uncertainty about the number of providers of hot food and drink, who do not sell alcohol, but who either currently do business after 11pm or may wish to.
- 26) Annual fee benefits: These premises may benefit either because they currently have a licence, and will no longer need to pay the annual fee, or because they do not have a licence, and may be able to provide LNR without one. The average annual fee is £193.
- 27) Application cost and fee benefits: In 2009-10, there were 18,100 applications for new premises licences or variations to premises licences, and 199,400¹¹ licences. The ratio of application to extant licences is 9%. If there are applications for premises licences for late night refreshment only (or for variations to such licences) in the same proportion as other applications, this would imply 1080 applications for late night refreshment licences, with a maximum potential saving of £717 - £1,305.
- 28) Local discretion: The proposal to de-centralise decision-making about LNR is intended to empower local areas to determine their own outcomes. The impact of DLE nationally will vary significantly according to local decision-making. There are 349 licensing authorities in England and Wales, each of which might potentially adopt a DLE, or not. Each DLE could be used either in a limited or wide-ranging way.
- 29) We will seek views on how likely licensing authorities will be to use the power in the consultation. However, pre-consultation discussions with licensing officers indicate that they consider that the vast majority of premises licensed for LNR are in areas connected to the alcohol-related late night economy and, therefore, not potential candidates for de-regulation. At this stage, we will tentatively suggest that, if DLE was made available, it is reasonably likely that 1% - 5% of premises would benefit from de-regulation in any one year.

Table 1: Possible fee benefits of Options 3 and 4

Potential beneficiaries lower range (1% of 12,000)	Potential beneficiaries upper range (5% of 48,000)	Benefit per premises	Total saving in E&W lower estimate	Total saving in E&W upper estimate
120	2400	£193	£23,200	£463,200

Table 2: Possible application cost benefits of Options 3 and 4

	Potential beneficiaries 1% of 1080 est.	Potential beneficiaries: 5% of 1080 est. applications	Benefit per premises lower estimate	Benefit per premises upper estimate	Total saving in E&W lower estimate	Total saving in E&W upper estimate
	11	55	£717	£1,305	£7,887	£71,775
Total					£31,047	£534,975

¹⁰ State of the Nation Report 2010 (People 1st)

¹¹ Figures derived from licensing statistics bulletin, cited above. See also: "Consultation on removing the duty to advertise licensing applications in a newspaper or circular."

- 30) This implies savings to business of £31k - £535k. This large range reflects considerable uncertainty about both the number of potential beneficiaries; and the extent to which licensing authorities will wish to de-regulate LNR if they had the power to do so. We intend to work with local partners to consider these issues in more detail through the consultation process.
- 31) The total benefits of option 3 & 4 have been estimated to be around £270k to £4.6m in present values over 10 years.
- 32) INs: N/A
- 33) OUTs: This option would generate an OUT of about £30k to £530k per year (2009 prices). The best estimate being £280k per year (2009 prices). Therefore, this option would result in a Net OUT of around £280k per year (2009 prices).

Non-monetised benefits of Options 3 and 4

- 34) This saving would increase over 10 years, due to the absence of a requirement to pay annual fees on the part of new applicants, but we have not costed this amount.
- 35) There could be a benefit to consumers, if the removal of the need to acquire a licence under the 2003 Act in certain areas, or for certain premises types, led to an increase in the number of provides available.
- 36) **Risks of Option 3 and Option 4:** As stated in the evidence section above, there is a risk that licensing authorities will not use any power to de-regulate late night refreshment to a significant extent. Licensing officers, in pre-consultation discussions, agreed that it could be de-regulated at MSAs, but not elsewhere. We expect to learn more about the appetite for this power during the consultation process.
- 37) **Summary and Recommendations**

The table below outlines the costs and benefits of the proposed changes.

Option	Costs	Benefits
2	£Negligible (PV over 10 years)	£395k saving in licensing fees (PV over 10 years)
	Familiarisation cost (not quantified)	N/A
3 & 4	£N/A (PV over 10 years)	£2.4m in increased profit from provision of late night refreshment (PV over 10 years)
	Cost to local enforcement agencies in implementation (not quantified)	Benefits to consumers and potential annual fee savings of new businesses (not quantified)

Source:

This Assessment suggests that consultation is required before determining options for local discretion on de-regulating LNR. Options 2, 3 and 4 will therefore form part of the Government's forthcoming public consultation on the delivery of the Alcohol Strategy.

- 38) **Enforcement:** The police and other responsible authorities, particularly licensing authorities, are currently responsible for the enforcement of the framework of the 2003 Act as it affects late night refreshment, and would remain responsible if there were further exemptions. They would input into any decision on locally-determined exemptions. These proposals are likely to result in an increase

in the number of premises selling hot food and drink *lawfully* late at night and it is therefore expected that enforcement activity will be extremely limited.

- 39) **Implementation; familiarisation; and communication:** These changes would be implemented through primary and secondary legislation. For Option 2, this there will be a minimal cost to licensing authorities in familiarising themselves with an additional exemption. Options 3 and 4 it would be implemented locally by licensing authorities, in consultation with other “Responsible Authorities”, including the police. A process of consideration and implementation would be required. In very rare cases, it is possible that a DLE would have to be revoked, with a similar procedure. As part of the consultation process, we will work with local partners to consider the details of this process.
- 40) If implemented, licensing authorities may wish to communicate these policies in their area, most likely on an ad hoc basis (for example, if a person seeks to make an application for premises in an exempt category). The Home Office will communicate the changes via its website; to leading trade bodies; and through the Guidance issued under s.182 of the 2003 Act. Therefore, it is expected that the communication cost to licensing authorities will be minimal.
- 41) **Monitoring and Evaluation:** The Government will consider a review process throughout its consultation.
- 42) **Feedback:** In order to accurately assess the effectiveness of Option 3 and Option 4, the Government will seek views from those who will be most affected by the policy. The Government will also invite views on whether the scope of Option 2 can be expanded to other categories of premises or supply with equivalent characteristics. The Home Office will therefore seek feedback from the hospitality industry and its representatives, the police, licensing authorities, responsible authorities and resident groups and other Government departments when considering the effectiveness of the measures. This could be achieved by regular meetings between those organisations affected and Government officials as well as technical consultation groups.