Finance Committee

Alcohol (Licensing, Public Health and Criminal Justice) (Scotland) Bill

Submission from North Ayrshire Council

Response

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

No.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

N/A.

3. Did you have sufficient time to contribute to the consultation exercise?

N/A.

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

No. See response to Q8 re the burden on the licensing board. Re the wider application of the Bill, there is a caveat: yes, in principle, however the financial impact is dependent upon the volume of cases arising, which cannot currently be accurately predicted.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

As for Q4.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

No. If estimates around the cost of Community Involvement, DBOs and Alcohol Awareness Training are accurate, then this could be a further burden of around £84,000 per annum on North Ayrshire Council, which could NOT be met within existing resources. This excludes the unquantifiable costs in the FM.
7. **Does the FM accurately reflect the margins of uncertainty associated with the Bill’s estimated costs and with the timescales over which they would be expected to arise?**

Yes, in terms of timescales. Uncertainty around volume of cases could be more emphatic.

**Wider Issues**

8. **Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?**

No. Much of the financial impact cannot be quantified. The additional burden imposed on licensing boards by Clause 5 ("Applications for, or to vary, premises licence: consultation and publicity") is not covered by the potential fee income. As the FM points out at Paragraph 35, the majority of boards in Scotland already charge the maximum allowable fees. The North Ayrshire Licensing Board (NALB) is in that majority. When the NALB originally set its fees it had information that, even if charging the maximum possible fees, it would fail to cover costs, meaning the board is being subsidised by the Council. Imposing further demands on the board through the implications of this bill will be a further burden on the Council.

**Clause 5 ("Applications for, or to vary, premises licence: consultation and publicity")**

North Ayrshire currently has around 400 premises licences. There are relatively few applications for grant of a new licence (including PPL), as opposed to Applications for 'Non-Minor Variations' (where 'Minor Variation' has the limited meaning prescribed by 2005 Act [29(6)] and its associated Regulations). As a result we have built up information based on the 4m rule. If the radius is changed, further work would be required by officers of the Council.

Traditionally we use the planning department's Gazetteer software, as planning law shares a 4m intimation rule. We could not use the existing system if a different radius is applied, which will increase costs further.

The FM proceeds on the basis that only 16% of the population are without Community Council (CC) representation. The experience in North Ayrshire is that 3 of 13 local CCs are inactive; about 23%. Two of these (Ardrossan and Saltcoats) are in urban areas where house density might be higher than average, meaning that a 50m intimation rule would substantially increase the number of intimations.

We estimate, based on FM assumptions, that for NALB, which is a relatively small board, the change would cost an additional £7000 p.a.

9. **Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?**

Potentially. It is not possible to quantify these at present. Any financial impact is dependent upon volumes of cases arising, which cannot be accurately predicted.