

The Licensing (Scotland) Act 2005

**Consultation on introducing a fee for
applying to renew a personal licence**

Summary of responses

December 2018

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Background

1. Scottish Local Authorities and Licensing Boards have statutory functions in relation to licensing the sale of alcohol. The Scottish Government has a role in setting certain fees to be charged by Licensing Boards in the exercise of some of their functions. The level of fees set by the Government is subject to Parliamentary scrutiny.
2. The Licensing (Scotland) Act 2005 (the 2005 Act) requires those who authorise the sale of alcohol to possess a personal licence. Licensing Boards are responsible for granting and reviewing such licences.
3. The current licensing regime came into full effect in September 2009, with a requirement for people holding a licence to undertake refresher training every five years and a separate renewal process after ten years.
4. Renewal of the personal licence every ten years provides an opportunity to check that any convictions for relevant and foreign offences have been properly notified to the relevant licensing authority, and that all such convictions have been properly endorsed upon the licence. It also provides an opportunity to ensure that the photograph of the licence holder on the personal licence is updated to aid identification.
5. Personal Licence Holders who first obtained their licence at the introduction of the existing regime in September 2009 will need to renew their personal licence for the first time. They have from 31 August 2018 to 31 May 2019 to do so. Thereafter there will be an ongoing rolling pattern of renewals for the remaining Personal Licence Holders.
6. [‘The Licensing \(Fees\) \(Scotland\) Regulations 2007’](#) (SSI 2007/553) (the 2007 Regulations) were made in exercise of the powers conferred by the 2005 Act and provide for fees to be charged by Licensing Boards in relation to various matters under the 2005 Act. Regulation 17 of the 2007 Regulations sets the fee payable when applying for a personal licence at £50.
7. While there is an initial £50 fee to apply for a personal licence, there was no fee set in the regulations for a renewal application. Licensing Boards will be required to deal with a significant number of renewal applications in the run up to the ten year point, and we are aware of the concerns that have been raised by stakeholders about the substantial administrative pressures that this will place on Licensing Boards and others.
8. The Scottish Government considered that because of the amount of administrative work that this will entail for Licensing Boards there was a strong case for introducing a fee for applying to renew a personal licence to help Licensing Boards across Scotland cover the cost of administration. As the fee for a grant of a

personal licence application is £50 we considered that it was reasonable and proportionate that the renewal fee also be set at £50.

9. The Scottish Government is required to consult before any new fee comes into force.

10. A consultation in respect of the introduction of a fee for a personal licence renewal application was published on 11 July 2018. The consultation welcomed views from respondents on whether they considered the introduction of a renewal fee to be appropriate and, if so, whether they thought the proposed £50 fee level was appropriate, including evidence to support their view. The Scottish Government also welcomed views and evidence to support an alternative fee level being set, or whether no fee should be introduced at all.

Overview of responses

11. The consultation period ended on 15 August 2018. In total, fifty two responses were received and forty seven respondents agreed to the publication of their response. These published responses can be viewed on the Citizen Space website at: https://consult.gov.scot/criminal-justice/alcohol-personal-licence-renewal-fee/consultation/published_select_respondent.

12. Of the fifty two responses, thirty seven were received from organisations, and fifteen were received from individuals.

13. In total, twenty eight respondents agreed that a fee for renewal of a personal licence should be introduced, and twenty four felt it should not.

14. Meanwhile, eleven respondents agreed that £50 was an appropriate fee level, while thirty nine did not. Two respondents did not answer that question.

15. Consultation responses from Licensing Boards/ Local Authorities generally suggested a higher renewal fee than £50, while responses from the trade generally did not support the introduction of any renewal fee, and raised concerns about the impact of fees on businesses.

Summary of responses

16. A summary of the responses received is provided below. This has been set out by type of respondent.

Licensing Boards/ Local Authorities

17. There were thirteen responses received from Licensing Boards/ Local Authorities.

18. Of those, nine did not agree that £50 was an appropriate fee, while four thought that £50 was appropriate.

19. All of the Licensing Boards that thought the £50 fee was inappropriate wanted to see the fee level set higher than £50, with suggestions for the renewal fee ranging from £70 to £100. An £80 fee for applying to renew a personal licence was the most common fee suggested by these Licensing Boards. None of the Licensing Boards suggested that the fee should be set at less than £50.

20. Examples of the reasons put forward for a fee higher than £50 included:

- “The £50 fee, which would be the same as the initial £50 fee to apply for a personal licence set in 2007, does not take account of inflation.”
- “There has been an administrative resource burden borne by Licensing Boards in the preceding 10 years in liaising with personal licence holders (for example regarding refresher training, convictions, updating information and reminders).”
- “Licensing Boards will also require to notify all current licence holders of their imminent renewal. There is no mechanism for Licensing Boards to recover a fee for that work.”
- “Licensing Boards have employed significant resources over the last few years in issuing reminders re: refresher training updates, issuing amended licences, revoking licences, updating licences to reflect changes to personal details and will now need to send renewal reminders. £50 cannot be expected to cover all of this work.”

21. There were four Licensing Boards that agreed that £50 was an appropriate fee level. Comments in support of this included:

- “It is proportionate to the work required to process and determine the application”.
- “In respect that the work required for work up the issue of the renewed personal licence is likely to be similar to that for a first application, it is appropriate that the fee for renewal be the same as for a first application”.

22. In addition to the responses received from individual Licensing Boards and Local Authorities, the licensing section of the SOLAR Group of Local Authority Lawyers responded to the consultation. Similar to a number of the individual Licensing Boards, SOLAR proposed that a fee of £80 should be set for renewal of personal licences and that the fee for new personal licences should also be increased from £50 to £80.

Licensing Standards Officers (LSOs)

23. Three Local Authority LSOs also responded to the consultation. All three LSOs wanted to see a renewal fee greater than £50 introduced.

Alcohol Focus Scotland (AFS)

24. A response to the consultation was received from AFS, the national charity working to reduce alcohol harm. AFS did not believe that £50 would be sufficient to cover board costs. They did not however put forward a suggestion for what the renewal fee should be. Rather, AFS stated that “Stakeholders with direct involvement in administering the system would be best placed to advise on the specifics of the most appropriate fee level to meet the costs of the renewal process”.

Alcohol and Drug Partnership (ADP)

25. Three ADP's responded to the consultation. Aberdeenshire ADP, Highland ADP and Moray ADP. All three agreed that a fee for renewal of a personal licence should be introduced. However, while Highland ADP and Moray ADP considered that £50 was an appropriate renewal fee, Aberdeenshire ADP did not think that it was high enough.

Organisations

26. Other organisations to respond to the consultation include The Scottish Licensed Trade Association, Greene King Brewing & Retailing Ltd, BP Oil UK, The Co-op, Scotmid Co-operative, Airbles Street Stores Ltd, UKHospitality, the National Federation Of Retail Newsagents (NFRN), Licensing Training Services Limited and Scottish Licensing Law and Practice (SLLP).

27. The vast majority of trade organisations did not think that a fee for renewal of a personal licence should be introduced. These organisations also thought that £50 was inappropriate if a fee was to be introduced. Particular concerns were raised about the cost to business, with comments including:

- "...this would be a heavy cost to our business. We pride ourselves on training staff and have had them go through full training and apply for licenses. If the fees increases, than we would be forced to reduce the staff training to the minimum".
- "...this extra cost will add £1300 including administrative impact."
- "A fee of £50 would result in a cost of £1200".
- "...A £50 renewal fee would create an additional unbudgeted cost of £17,500 in the next 12 months".

Individuals

28. The majority of individuals who responded to the consultation, and who have not been referred to previously in this report, did not think that a fee for renewal of a personal licence should be introduced. Similar to the responses received from organisations, many of the individuals who responded to the consultation were particularly concerned about the cost burden on businesses. The types of comments made included:

- "Bar staff are not the best paid workers especially in rural and remote areas and an extra cost would be a disincentive to renew the licence".
- "I am required by law to have a personal licence and paid initially to become a license holder and feel it unfair that I have to pay £50 to renew my license".
- "It will have a dramatic effect on the businesses required to renew on behalf of their employees. Small businesses may pass the cost on, penalising the lower paid".

Other issues raised by respondents

29. The consultation also asked respondents if there were any other comments they wished to make about the renewal process or proposed fee. In response, a number of respondents said that the initial fee for a personal licence should also be increased from the current £50, while other respondents made various comments about the renewal process etc. Comments included:

- “The fee should be £80 for both grant and renewal”.
- “The fee for a new application should also be increased to £80”.
- “...the process of personal licences should be reviewed in its entirety for both refreshing and renewing”.

Next steps

30. The Scottish Government is extremely grateful to those who responded to the consultation exercise. The consultation responses were carefully considered and it was decided that there should be a fee of £50 for personal licence renewal applications. That fee matches the existing fee on initial application for a personal licence.

31. [‘The Licensing \(Fees\) \(Scotland\) Amendment Regulations 2018’](#) introduced the renewal fee of £50. These Regulations were laid before the Scottish Parliament on 27 August 2018, and came into force at 5pm on 1 October 2018.

32. The Scottish Government intends to undertake a full review of liquor licensing fees in due course, and this will offer the opportunity to look across all the fees to review and update them as appropriate. This will be informed by Licensing Board income and expenditure reports.

Criminal Law, Practice and Licensing Unit
December 2018



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