These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

LICENSING (SCOTLAND) BILL

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EXPLANATORY NOTES

(AND OTHER ACCOMPANYING DOCUMENTS)

CONTENTS

1. As required under Rule 9.3 of the Parliament’s Standing Orders, the following documents are published to accompany the Licensing (Scotland) Bill introduced in the Scottish Parliament on 28 February 2005:

- Explanatory Notes;
- a Financial Memorandum;
- an Executive Statement on legislative competence; and
- the Presiding Officer’s Statement on legislative competence.

A Policy Memorandum is printed separately as SP Bill 37–PM.
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EXPLANATORY NOTES

INTRODUCTION

2. These Explanatory Notes have been prepared by the Scottish Executive in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by the Parliament.

3. The Notes should be read in conjunction with the Bill. They are not, and are not meant to be, a comprehensive description of the Bill. So where a section or schedule, or a part of a section or schedule, does not seem to require any explanation or comment, none is given.

THE BILL

4. The Bill is in 9 Parts.

5. These are:
   - Part 1 – Core provisions
   - Part 2 – Licensing bodies and officers
   - Part 3 – Premises licences
   - Part 4 – Occasional licences
   - Part 5 – Licensed hours
   - Part 6 – Personal licences
   - Part 7 – Control of order
   - Part 8 - Offences
   - Part 9 – Miscellaneous and general

6. Commentary explaining the changes introduced by each Part is provided below. The main legislation which currently governs licensing in Scotland is the Licensing (Scotland) Act 1976 (c.66) as amended and the Licensed Premises (Exclusion of Certain Persons) Act 1980 (c.32). The Bill repeals this legislation.

COMMENTARY ON PARTS

PART 1 – CORE PROVISIONS

Section 1 – Prohibition of unlicensed sale of alcohol

7. This Bill makes provision for regulating the sale of alcohol, and for regulating licensed premises and other premises on which alcohol is sold. Section 1 establishes that a licence is required to sell alcohol unless the premises are exempt as defined in section 116 or the sale is made by wholesale to another trader. A sale is by wholesale if it is of the following quantities:
• 9 litres or 1 crate of spirits, wine or made wine
• 20 litres or 2 crates of beer or cider.

Section 2 – Meaning of “alcohol”

8. This section provides an interpretation of the term “alcohol” for the purposes of this Bill.

Section 3 – Certain supplies of alcohol to be treated as sales

9. This section provides for certain supplies of alcohol to be treated as sales of alcohol for the purposes of this Bill. This ensures that those supplies would come under the provisions of the new licensing regime. 2 types of supply are covered.

10. The first is supplies by clubs to their members. Members’ clubs are owned by their members. So the members own the stock. They do not need to sell the alcohol to themselves. But this provision ensures that the supplies are treated as sales so that the club still needs a premises licence.

11. The second type of supply is where the alcohol is supplied in pursuance of a contractual right. For example, some hotels or resorts may offer “all inclusive” packages under which the price paid for the stay at the hotel or resort includes unlimited supplies of “free” drink. This provision ensures that the supply of alcohol under such packages is treated as a sale so that the hotel or resort, or at least the bar in the hotel or resort, requires a premises licence.

12. The second set of circumstances might also cover arrangements whereby alcohol is supplied at a bar in exchange for a voucher or token which is bought elsewhere. The supply at the bar will be treated as a sale so that the bar needs a premises licence.

Section 4 – The licensing objectives

13. This section establishes 5 high level “licensing objectives” that represent the values on which the Scottish licensing system would be based, the parameters against which everyone would measure the elements of that system and the solid foundation which local authority Licensing Boards must have regard to in carrying out their functions under the Bill.

PART 2 – LICENSING BODIES AND OFFICERS

Section 5 – Licensing Boards

14. Licensing Boards were introduced by the Licensing (Scotland) Act 1976 and subsection (1) of this section retains them. There will continue to be a Board for each council area or, where a council area has been divided into licensing divisions, a Board for each division. The Boards will continue to be made up of local authority councillors and appointed by the local authority.
15. Subsection (2) provides that where local authorities consider it appropriate to do so, they may split their area up into licensing divisions in the future.

16. Subsection (3) sets out the consequences of establishing licensing divisions. This includes the requirement that for each of those division areas, a separate Licensing Board would have to be established and that where this occurs the existing Licensing Board for that local authority would be dissolved. The provision of licensing divisions is a continuation of the current procedure under the Licensing (Scotland) Act 1976.

17. Subsection (4) allows for licensing divisions to be merged back into a single area so that there is a single Board for the whole area. Subsection (5) provides for the consequences of such a merging of divisions.

Section 6 – Statements of licensing policy

18. Subsection (1) places a duty on Licensing Boards to publish what is to be known as a “licensing policy statement” for their area for a 3-year period. This statement would offer guidance and clarity on the policy on which Licensing Boards would base their decisions in implementing their functions under the Bill. This is particularly important for a system which is likely to have quite a high degree of local flexibility in terms of the discretion given to Licensing Boards.

19. Subsection (2) provides that Boards have a power to issue a supplementary statement within that 3-year period. It is intended that this supplementary power would cover new or unanticipated issues.

20. Subsection (3) places a duty on Boards, when preparing their policy statements to ensure that the statements promote the 5 licensing objectives set out in section 4 and to consult on their proposed policy statements with those persons listed in paragraph (b)(i) to (iii).

21. Subsection (7) allows Scottish Ministers to specify the date by which Boards must prepare their first policy statement under the new regime.

Section 7 – Duty to assess overprovision

22. Subsection (1) places a duty on Licensing Boards to make a pro-active assessment of local provision of licensed premises in their area as part of their policy statements. There would also be flexibility for Boards to decide, for any locality, whether there was overprovision generally in relation to licensed premises or only in relation to a particular identifiable sector.

23. Subsection (2) provides that Boards would themselves determine what amounts to a “locality” for this purpose. This is as flexible as possible to reflect the very different pressures which may apply in different geographical areas throughout the country.

24. Subsection (3) places a duty on Boards when considering their policy on overprovision to have regard to those matters specified and to consult with those persons listed in subsection (4).
25. Premises which have only an occasional licence are to be left out of the assessment of overprovision.

Section 8 – Applicants attempting to influence Board members

26. This section provides that it would be an offence for anyone who has submitted an application under the Bill to attempt to influence in their favour a member of the Licensing Board at any time. Subsection (2) establishes how the Board should proceed where a prosecution for an offence under this section has been brought against an applicant.

Section 9 – Licensing Board’s duty to keep a public register

27. This section places a duty on Licensing Boards to keep a licensing register containing the information set out in subsection (1)(a) to (c). Subsection (2) provides that Scottish Ministers may regulate the type of information required and the form in which it is kept.

Section 10 – Local Licensing Forums

28. Subsection (1) places a duty on each council to establish a Local Licensing Forum for its area. The establishment of these forums is new and should enhance the local Board’s awareness of both the beneficial and detrimental impact of their policies in particular on the local community and on local trade. Where a local authority has split their area into separate licensing divisions, subsection (2) allows for the establishment of a separate Local Licensing Forum for each of those divisions.

29. Subsection (3) provides that there should as a minimum be at least one formal annual meeting between the Board and the local Forum. This is important to ensure that a relationship is established between these bodies.

Section 11 – General functions of Local Licensing Forums

30. This section establishes the general function of Local Licensing Forums. The role of the Local Licensing Forum is to comment on the Board’s general policy approach and not to comment on individual licence applications.

Section 12 – Licensing Boards’ duties in relation to Local Licensing Forums

31. This section establishes duties on Boards to have regard to the Forums’ advice, to provide any statistical information that the Forums may request from them and to present reasons why they have followed a different route from that recommended by the Forum.

Section 13 – Licensing Standards Officers

32. Subsection (1) places a duty on local authorities to appoint one or more officers to be known as Licensing Standards Officers (“LSOs”) whose general statutory functions are those set out in section 14 of the Bill. This is a new role. The Civic Government (Scotland) Act 1982 empowers the police and authorised officers of licensing and fire authorities to enter and inspect
premises, vehicles or vessels of a licence holder or applicant for a licence. With respect to liquor licensing, however, there is currently no such provision.

Section 14 – General functions of Licensing Standards Officers

33. Subsection (1) establishes the general functions of Licensing Standards Officers and those are set out in paragraphs (a) to (c). LSOs would not act as policemen with regard to licensing but would liaise with the police and other relevant officials such as environmental health officers in ensuring the licensing objectives are adhered to and solutions found to problems involving licensed premises. LSOs would act as a source of advice and guidance for licensees and for the community; mediate between communities and the trade or between any two parties where there is a need to resolve a local problem and develop a local solution and supervise compliance with licence conditions by the relevant licence holders.

34. Subsection (2) sets out in more detail the power of the LSO to deal with a breach of licence conditions by issuing a written warning to the licence holder and making a referral to the Licensing Board for review of the licence.

Section 15 – Powers of entry and inspection

35. Subsections (1), (2) and (3) give LSOs power to enter and inspect both licensed premises and other premises suspected of selling alcohol to establish compliance with the licensing system, licensing objectives and licence.

36. Subsections (4) and (5) place a duty on licence holders and those managing and working on premises to co-operate with and assist the LSOs in the performance of their functions and to provide any information or documents requested by the LSO.

37. Subsection (6) provides that any person referred to in subsection (4) who fails to assist or who obstructs the Licensing Standards Officer would be guilty of an offence.

PART 3 – PREMISES LICENCES

Section 16 – Premises licence

38. This section introduces the new premises licence. This replaces the seven different types of licences under the current legislation. The Bill provides that anyone wishing to sell alcohol on any premises, subject to the exceptions set out in the Bill, would have to hold a premises licence.

Section 17 – Meaning of “appropriate Licensing Board”

39. This section provides that for the purposes of premises licences, the “appropriate Licensing Board” for any premises is the Board in whose area the premises are situated (or mainly situated). If premises straddle two or more areas equally, applicants can nominate one of the Licensing Boards in question to act as the relevant Licensing Board. The effect of this section is to identify the Board which will carry out licensing functions in relation to premises licences.
Section 18 – Meaning of “premises manager”

40. This section introduces the term “premises manager”. Each premises licence will have to specify the premises manager for the premises.

Section 19 – Application for premises licence

41. Under subsection (1) any person, which includes corporate and unincorporated bodies and statutory bodies as well as individuals, can apply for a premises licence. However, if an individual wants a licence, he or she will need to be 18 or over. Under subsection (2) the application for a premises licence must be accompanied by a draft of the applicant’s proposed operating plan and a layout plan for the premises. These plans would provide Licensing Boards and local communities with a clear indication of what activities would be undertaken on a premises at the time of the licence application. Applications would also have to be accompanied by certain certificates relating to planning, building control and food hygiene (see section 48 of the Bill).

42. Subsection (4) provides that the form and content of operating plans would be set out in regulations. However, this subsection lists a number of specific requirements as to the content of operating plans, including the proposed opening hours.

Section 20 – Notification of application

43. This section places a duty on Licensing Boards to notify those persons specified in subsection (1) (a) to (e) of all applications they receive for premises licences. This is a new duty and a change from what was previously provided for in the Licensing (Scotland) Act 1976.

44. Subsections (3) to (5) set out the statutory duty that would be placed on Licensing Boards and the subsequent procedure that they would have to adopt, to notify the chief constable in their area of all applications received for premises licences. Subsection (3) places a duty on the chief constable to respond to the Licensing Boards by giving certain notices within a period of 21 days. This procedure is intended to ensure that checks are made for the existence or otherwise of any convictions for relevant or foreign offences that any applicant or those connected with the applicant may have. “Relevant offences” will be listed in regulations under section 120. “Foreign offences” are offences under the laws of countries other than Scotland which correspond to relevant offences. Section 137(2) and (3) makes provision identifying “connected persons” in relation to companies, partnerships and clubs. This ensures that checks are done on the persons in control of these bodies as well as the bodies themselves.

Section 21 – Objections and representations

45. This section widens the current provisions in the Licensing (Scotland) Act 1976 relating to those persons who would have a statutory right to make objections and representations in relation to applications for premises licences. Any person (whether an individual or a corporate or unincorporated body) may object or make representations provided that, as noted in section 21(3), this is not considered by the Board to be vexatious or frivolous.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

Section 22 – Determination of premises licence application

46. This section sets out the procedure that Licensing Boards must adopt when they receive an application for a premises licence. It provides both for the circumstances where a Licensing Board proposes to grant a premises licence and where they propose to refuse a premises licence.

47. Subsection (5) sets out the grounds on which a Licensing Board may refuse a premises licence application. Those grounds are set out in paragraphs (a) to (d). One of the grounds relates to consistency with the licensing objectives. When considering the impact on the crime prevention objective in particular, the Board must pay particular attention to any convictions for relevant or foreign offences of which they have been notified by the chief constable and any recommendation as to refusal the chief constable may have given. However, the existence of convictions does not per se prevent the Board granting the licence.

Section 23 – Further application after refusal of premises licence application

48. This section provides in effect that, where a Licensing Board has refused an application for a premises licence, a subsequent application in respect of the same premises cannot be made within one year of the initial refusal.

49. However, the Licensing Board can, at the time of the initial refusal, dispense with the one year limit so allowing another application within that time. Even if the Board does not dispense with the limit, an applicant will be able to re-apply within the one year period if they can show that there has been a material change of circumstances since the initial refusal.

Section 24 – Issue of licence and summary

50. This section requires Licensing Boards, where they grant an application for a premises licence, to issue the applicant with a licence and a summary of the licence. The section also makes provision as to the form and content of the licence and summary. Subsection (2) sets out the minimum information which must be contained in the licence.

Section 25 – Conditions of premises licence

51. This section provides that all premises licences will be subject to those mandatory conditions set out in schedule 3 to this Bill, unless schedule 3 provides otherwise. The application of these mandatory conditions is intended to ensure national consistency on those matters specified in schedule 3.

52. Subsections (2) and (3) provide a power for the Scottish Ministers to set out such further national mandatory or discretionary conditions to be attached to premises licences as they think are needed for the purposes of the five licensing objectives established by this Bill.

53. Subsection (4) provides a power for Licensing Boards to impose additional licence conditions to those ones to which the licence may be subject by virtue of subsections (1) to (3). This power could be used in circumstances where additional conditions were needed for the purposes of any of the five licensing objectives established by the Bill and where some other
form of activity not covered by schedule 3 was being undertaken on the premises. However, under subsection (5) a Board may only impose additional licence conditions which do not run counter to the effect of national conditions, and which do not attempt to alter or add to those conditions to make them more onerous or restrictive.

54. Subsections (6) and (7) make clear the types of conditions which can be prescribed by Scottish Ministers and imposed by Licensing Boards. These can cover both the sale of alcohol and other activity carried out on the premises.

55. Subsection (8) provides a limitation on Licensing Boards’ powers under any provision of this Bill to vary the conditions of a premises licence to only those conditions provided for by this section.

Section 26 – Period of effect of premises licence

56. This section establishes the maximum duration for any premises licence issued under the Bill. The Licensing (Scotland) Act 1976 required licences to be renewed every 3 years. Premises licences under this Bill would generally continue in effect indefinitely as long as the premises in question continued to be used for the purpose or purposes for which the licence was granted. However, the licence could be revoked if conditions are breached and the licence also ceases if the holder dies, becomes incapable or insolvent unless a transfer is made under section 31. A licence holder may also choose to voluntarily surrender a licence.

57. Subsection (2) covers the situation where there is an application for a transfer of the premises licence made in any the circumstances provided for in subsection (5) i.e. where a licence would otherwise lapse as a result of death, bankruptcy, insolvency or incapacity.

58. Subsection (7) makes provisions for determining when licence holders become insolvent.

Section 27 – Application to vary premises licence

59. This section permits premises licence holders to apply to the Licensing Board which originally granted the licence for variations to the terms and conditions of the premises licence. There is currently no process for variations to be made to a licence under the Licensing (Scotland) Act 1976. Subsection (2) provides that all applications must be accompanied by the paper version of the premises licence, where practicable.

60. Subsection (4) provides that the duty placed on Licensing Boards under sections 20 and 21 of the Bill would apply to applications under this section for variations to premises licences. This would ensure that all those persons who had a statutory right to be notified, were notified of the proposed variation and that any person could make representations and objections to the variation.

61. Subsection (5) explains what a “variation” could cover. It includes any change to the operating plan. Subsection (6) provides for certain variations to be classed as “minor”. This is to enable those to be dealt with less formally.
Section 28 – Determination of application for variation

62. This section establishes the procedure that Licensing Boards must adopt when they are considering an application for a variation to a premises licence applied for under section 27 of the Bill.

63. Subsection (3) places a duty on Licensing Boards to hold a hearing when considering an application for all applications for a variation to premises licences, other than a minor variation, where subsection (2) places a duty on Licensing Boards to grant that application.

64. Subsections (4) and (5) provide that the Licensing Board’s decision must be based on the statutory grounds for refusal which are set out in subsection (5). These are similar to the grounds for refusal of an application for a licence.

65. Subsection (6) provides a power for Licensing Boards to make their own additional variations to the licence conditions where it grants the variation applied for.

Section 29 – Variation to substitute new premises manager

66. This section deals with a change of premises manager in relation to any premises. Licensed premises cannot operate without a premises manager being in post (see paragraph 4 of schedule 3). Where there is a change of premises manager, before the new premises manager can act as such, his or her name needs to be added to the licence. This section allows for the proposed new premises manager to take up post pending the granting of an application to vary the premises licence so as add the new premises manager’s name to it. This helps ensure that changes of premises manager can take effect quickly so as to enable businesses to continue to operate with the minimum disruption.

Section 30 – Further application after refusal of application for variation

67. This section in effect prevents a premises licence holder who has had an application for a variation refused re-applying for the same variation within a year of the initial refusal.

68. Subsection (3), however, permits Licensing Boards to dispense with the one year limit or, where the limit has not been dispensed with, nonetheless to consider a re-application within the one year period where circumstances have changed.

Section 31 – Transfer on application of licence holder

69. Subsection (1) provides that the holder of a premises licence may apply for the transfer of the licence to another person.

70. Subsection (4) provides that the Licensing Board must notify the application to the chief constable for their area and subsection (5) provides that the chief constable must respond within 21 days with the notice required by subsection (6). The statutory content of these notices are set out in subsection (6) and cover relevant and foreign offences.
71. Subsection (7) establishes that where the chief constable notifies the Licensing Board that the person(s) to whom the licence is proposed to be transferred (or a connected person) has been convicted of a relevant or foreign offence then the chief constable may also make a recommendation for refusal of the transfer application.

72. Subsections (8), (9) and (10) establish the procedure that Licensing Boards must adopt on receipt of the chief constable’s notice. Where the notice reports that no conviction is found the transfer must be granted. Where the notice reports a conviction the Board is under a duty to hold a hearing but the only ground on which the transfer application may be refused is that it is necessary to do so for the purposes of the crime prevention objective. Otherwise the application must be granted.

Section 32 – Transfer on application of person other than licence holder

73. This section allows for an application to be made for a transfer of a premises licence by the proposed transferee rather than the licence holder. Subsection (4) provides that all the procedure set out in section 31 applies to applications for transfer of a premises licence under this section.

74. The transferee may make an application within 28 days only in circumstances where the licence holder has died, become insolvent or incapable or the business is being sold or transferred. Where a sale or transfer is being made the transferee and transferor are, therefore, given the option of choosing who is to apply for the transfer (either under sections 31 or section 32).

75. A transferee will be able to apply under this section only if the transferee has a prescribed connection to the licence holder or the premises. For example, regulations under subsection (1) may prescribe that only the licence holder’s executor may apply under this section for transfer of the licence in circumstances where the licence holder has died.

Section 33 – Variation on transfer

76. This section allows persons applying for transfer of a premises licence also to apply at the same time for a variation to the terms and conditions of the premises licence. The provisions in sections 27 and 28 relating to applications and determinations of variation applications will apply to applications for variations under this section.

77. Subsection (3) caters for the case where a proposed transfer may depend on a variation being obtained to the licence. Where the person seeking the transfer makes it clear that this is the case, the Board must determine the application for variation prior to determining the application for transfer. If the variation is refused there is no need to proceed with the transfer application.

Section 34 – Application for review of premises licence

78. This section provides a power for Licensing Boards to review a premises licence on the application of any person. The grounds on which such a review would be undertaken are set out
in subsection (3). These include breach of the licence conditions or any other ground relevant to one of the licensing objectives.

79. A Licensing Standards Officer can apply for a review on the ground that there has been a breach of licence conditions only if the Officer has issued a written warning about the breach.

80. Subsection (5) places a duty on persons applying for a review of a premises licence to set out the grounds that they feel merit the review.

Section 35 – Review of premises licence on Licensing Board’s initiative

81. This section provides a power for Licensing Boards to initiate reviews of premises licences themselves. The grounds for review are the same as those for applications under section 34. Where a Licensing Board proposes to initiate a review of a premises licence, the Board must provide a written report (to be known as a review proposal) setting out the grounds that they feel merit such a review of the premises licence.

Section 36 – Review hearing

82. This section places a duty on the Licensing Board to hold a hearing (known as a “review hearing” for the purposes of this Bill) to consider and determine an application for a review of a premises licence made under section 34 or a review proposal under section 35. The Board does not need to hold a review hearing on an application for review if it considers the application is frivolous or vexatious or if it is not relevant to the grounds for review. Subsection (4) places a duty on Licensing Standards Officers to provide a report to the Board and provides a reciprocal duty on Boards to have regard to the report. Subsections (5) and (6) permit Boards to request information, the attendance at a hearing of any person and the production of documents.

Section 37 – Licensing Board’s powers on review

83. This section provides the range of sanctions that a Licensing Board may impose on reviewing a premises licence. The Board can issue a written warning, vary the licence, suspend it or revoke it. The Board can provide for a variation to apply only for a limited period of time.

Section 38 – Review of Licensing Board’s decision to vary or suspend licence

84. This section provides a mechanism by which a licence holder can apply to the Licensing Board to have any variation of their premises licence or the suspension of their premises licence removed. If the Board feels that the sanction in question is no longer necessary then they may remove the relevant sanction. This power applies only to variation or suspension of a premises licence following review.

Section 39 – Duty to notify court of premises licence

85. This section requires premises licence holders who are charged with relevant offences to notify the court of the fact that they hold a premises licence. This will enable the courts to become aware of cases to which the duty in section 40 will apply.
Section 40 – Court’s duty to notify Licensing Board of convictions

86. Where a premises licence holder is convicted of a relevant offence by a court in Scotland, the clerk of court will, under this section, be required to give notice of the conviction to the Licensing Board. The duty only applies if the clerk is aware that the person convicted holds a premises licence. In most cases, they will be made aware of that fact under section 39.

Section 41 – Licence holder’s duty to notify Licensing Board of convictions

87. Where a premises licence holder (or in the case of a company, partnership or club, a “connected person” – see section 137(2)) is convicted of a relevant offence in Scotland or a foreign offence then the licence holder must, no later than one month after the date of the conviction, notify the Licensing Board of the conviction. If the licence holder does not comply he or she would be guilty of an offence. The duty is imposed on the licence holder even where it is a connected person who has the conviction. This is because it is the licence holder who has the primary responsibility.

88. Subsection (4) specifies the mandatory requirements for such notices under subsection (3).

Section 42 – Procedure where Licensing Board receives notice of conviction

89. Where a Licensing Board receives notice of a conviction given under section 40 or 41 the Board must give the appropriate chief constable notice of it. The chief constable must then check the conviction and respond, within 21 days, either confirming the existence of the conviction and that it is for a relevant or foreign offence or stating that the chief constable is unable to confirm the conviction or that it does not relate to a relevant or foreign offence. Where the conviction is confirmed, the chief constable can make a recommendation that the premises licence be varied, revoked or suspended, if that is considered necessary for the purpose of the crime prevention objective.

90. Subsection (7) places a duty on the Licensing Board to initiate a review of the premises licence should they receive notification from the chief constable confirming the existence of a conviction.

Section 43 – Provisional premises licence

91. This section makes it clear that a premises licence application can be made in relation to premises which are being constructed or converted for use as licensed premises. A premise licence granted for such premises is referred to as a “provisional premises licence”. The section modifies certain provisions of the Bill as they apply to applications for provisional premises licences.

92. Subsection (3) provides that a provisional premises licence has no effect until confirmed under subsection (4). The licence has to be confirmed within 2 years otherwise it will automatically be revoked. The 2 year period can be extended if the construction or conversion work is delayed for reasons outwith the licence holder’s control.
93. Subsection (10) modifies section 19 (which sets out requirements as to applications for premises licences) of the Bill as it applies to applications for provisional premises licences. Paragraph (a) establishes that different certificates as to planning, building control and food hygiene are to be provided and paragraph (b) establishes that the name of the premises manager need not be provided on application.

**Section 44 – Confirmation of provisional premises licence**

94. This section sets out the procedure for confirmation of provisional premises licences. The licence holder has to apply for confirmation to the Licensing Board before the end of the 2 year period beginning when the licence was issued. Confirmation would, in practice, be sought when the construction or conversion work is completed and the premises are ready for use.

95. Subsection (2) sets out the mandatory requirements for applications for confirmation of provisional premises licences.

96. Subsection (3) makes it clear that the operating plan accompanying the application must confirm the name of the proposed premises manager.

97. Subsection (4) requires the Licensing Board to confirm the premises licence where the statutory conditions are met. Subsection (5) sets out those conditions – i.e. that during the period of the provisional licence there had been no variation to the operating plan or layout plan (other than a variation approved by the Board already or classed as a minor variation).

98. Subsection (6) provides that when confirming a premises licence under this section, a Licensing Board may vary any licence condition. However, this could only be done for the purpose set out in subsection (7).

**Section 45 – Temporary premises licence**

99. This section caters for the circumstances where premises which already have a premises licence are undergoing reconstruction or conversion work. The licence holder may want to move into temporary premises pending completion of the work. This section allows the licence holder to apply to the Licensing Board for a premises licence covering the temporary premises. Such a licence is referred to as a “temporary premises licence”.

100. Subsections (5) and (6) confirm the maximum duration of temporary premises licences issued under this section and establish that those licence conditions which were attached to the original application for the premises licence would apply to the temporary premises licence, subject to any exceptions or modification which the Licensing Board may provide for.

**Section 46 – Notification of change of name or address**

101. This section places a duty on the holder of a premises licence to notify the Licensing Board of any change of name or address of the premises licence holder or of the premises manager. This is meant to cover only actual name changes i.e for example, where the licence holder is a company and changes its name, or the premises manager is a woman who changes her
name on marriage. A change in the identity of the premises licence holder is provided for in the provisions on transfer of premises licences. If there is a new premises manager, this must be provided for by seeking a variation of the licence so as to add the new premises manager’s name. A notification of a change of the licence holder's name or address or that of the premises manager under this section must be accompanied by the premises licence (unless that is impracticable, when a statement must be provided).

Section 47 – Licensing Board’s duty to update premises licence

102. This section is intended to ensure that the information contained in the premises licence is kept up-to-date. Subsection (1) requires the Licensing Board to make the appropriate changes to the information in the licence when they receive the notices of change of name or address and when they vary, transfer, confirm or review a premises licence. This ensures that there is always an accurate record of the licence.

103. In most cases the Licensing Board will have been sent the appropriate licence, but subsections (3) and (4) provide that the Board may require a holder to produce their licence within 14 days. Subsection (5) provides that failure to do so without reasonable excuse will be an offence.

Section 48 – Certificates as to planning, building standards and food hygiene

104. This section sets out the requirements as to the production of certificates evidencing compliance with planning, building control and food hygiene legislation in relation to premises in relation to which a licence application is made. Different requirements are imposed according to whether the application is for a full premises licence, a provisional premises licence or confirmation of a premises licence.

Section 49 – Duty to keep, display and produce premises licence

105. This section provides that a premises licence holder is under a duty to ensure that the premises licence or a certified copy is held on the premises to which it relates either by the licence holder or by the premises manager. A summary of the licence must be displayed prominently on the premises. It would be an offence to fail to comply with these requirements or to fail to produce the licence or a certified copy to a constable or a Licensing Standards Officer on request.

Section 50 – Theft, loss etc. of premises licence or summary

106. Subsection (1) provides that a premises licence holder may apply to the Licensing Board for a copy of a premises licence or a summary if the licence or summary has been lost, stolen, damaged or destroyed. If lost or stolen, the theft or loss must have been reported to the police. The Licensing Board must then issue a replacement licence or summary. The Bill applies in relation to a replacement and summary in the same way as it applies to the originals.

107. Subsection (3) establishes that a replacement licence or summary is to be certified as a true copy by the Licensing Board.
Section 51 – Dismissal, resignation, death etc. of premises manager

108. This section deals with circumstances where the premises manager ceases to work at the premises or dies or where the personal licence held by the premises manager is revoked or suspended. It gives a “period of grace” to allow the premises to continue operating despite not having a premises manager and pending the recruitment of a new one.

109. Subsection (3) places a duty on the premises licence holder to inform the Licensing Board of such circumstances within 7 days.

110. Subsection (4) and (5) provide that should this notification be done within the 7 day period and an application to substitute a new premises is made within 6 weeks of the loss of the premises manager, then the fact that the premises are, in the meantime, operating without a premises manager will be overlooked.

111. Subsection (6) provides that should there not be an application to a transfer of the premises licence under subsection (4) then the Licensing Board must vary the licence to reflect the fact that there is no longer any premises manager named on it. The period of grace will have ended and the premises would have stop operating as they would have no premises manager.

Section 52 – Certified copies

112. This section provides an interpretation of what is meant by the term “certified copy” used throughout this Part of the Bill.

PART 4 – OCCASIONAL LICENCES

Section 53 – Occasional licence

113. Subsection (1) provides a power for Licensing Boards to grant an occasional licence for premises other than licensed premises to those persons specified in subsection (2). For a premises licence holder this would be to authorise the sale of alcohol in the course of catering for an event taking place outwith their licensed premises. A typical example of where this might arise would be the provision of catering, including the sale of alcohol, at a wedding reception or other social event held on private property. Voluntary organisations may also apply for an occasional licence authorising the sale of alcohol at an event connected with the organisation’s activities.

114. Subsection (5) sets out a maximum duration of 14 days for each occasional licence. Subsection (6) confirms the limits on the number of occasional licences that Licensing Boards can issue within a year to a voluntary organisation.

115. Subsection (7) provides a power for the Scottish Ministers to set out in regulations the form of occasional licences and subsection (8) sets out the mandatory content of occasional licences in paragraphs (a) to (h).
Section 54 – Notification of application to chief constable

116. This section places a duty on Licensing Boards to notify the chief constable of all applications for occasional licences under section 53 and for the chief constable to notify the Board within 21 days of whether, in the interests of the crime prevention licensing objective, the application should be refused.

Section 55 – Objections and representations

117. This section allows for any person to make objections and representations to Licensing Boards in connection with any application made to the Board for an occasional licence under section 53.

118. Subsection (2) places a duty on Licensing Boards to give the applicant notice of any objections or representations received and to take account of them in determining the application.

119. Subsection (3) permits Licensing Boards to reject any frivolous or vexatious objection or representation made to them. Subsection (4) permits Licensing Boards to recover costs from the person in question. Subsection (5) establishes the matters that would be considered acceptable evidence in any proceedings by a Licensing Board for recovery of costs under subsection (4).

Section 56 – Determination of application

120. This section sets out the procedure that Licensing Boards must adopt to determine an application under section 53 for an occasional licence. It provides both for the circumstances where a Licensing Board proposes to grant a licence and where they propose to refuse such a licence.

121. Subsection (3) provides that the Board’s decision must be based on the statutory grounds for refusal. These are set out in subsection (6). They are similar to the grounds for refusal of a premises licence application except that there is no “overprovision” ground. Subsection (7) provides that, when considering refusal on the ground that the application is inconsistent with the crime prevention objective, Licensing Boards must take into account and any recommendation for refusal made by the chief constable.

122. Subsection (8) places a duty on Licensing Board to notify those persons listed in paragraphs (a) to (c) of their determinations.

Section 57 – Conditions of occasional licence

123. This section makes provision as to the conditions to which occasional licences may be subject. It replicates section 25 in relation to premises licences.
PART 5 – LICENSED HOURS

Section 58 – Licensed hours

124. This section establishes the new regime of licensing hours on which the licensing system will be based. This is a move away from the current system of “permitted hours”. The Bill introduces a more modern approach and gets rid of the practice of giving extensions to hours in favour of clarity up front about acceptable hours. Licence holders would be required to specify their hours in their operating plans submitted to the Licensing Board for approval along with their premises licence applications and drawn up with regard to the Board's published policy statement, which would set out the Boards general approach to policy on licensing hours for their area. The hours for occasional licences would, similarly, be set out in the application for the licence and incorporated into the licence if granted.

Section 59 – Prohibition of sale, consumption and taking away of alcohol outwith licensed hours

125. The provisions in this section are to some extent based on section 54 of the Licensing (Scotland) Act 1976. The provisions here provide that it is an offence to sell alcohol outwith licensed hours or to allow the sale, consumption, or taking away of alcohol outwith licensed hours. Subsection (2) sets out a number of exceptions which cover, amongst other things, the period of 15 or 30 minutes “drinking-up” time.

126. Subsection (4) is a new offence which replaces the current offence of consuming or taking away alcohol outwith licensed hours. The consumption or taking away is now only an offence if the person was asked not to consume the alcohol or take it away but failed to comply with the request.

Section 60 – 24 hour licences to be granted only in exceptional circumstances

127. The presumption provided here is against 24 hour opening in Scotland for on and off sales. However, subsection (2) provides that Boards would be entitled to agree exceptions to that presumption but only if satisfied that there are exceptional circumstances justifying it. This is a test which would have to be applied on a case by case basis. Guidance will set out national guidelines on the policy that should be adopted by Licensing Boards in relation to circumstances that might merit 24 hour opening. Boards would be required to set out their policy on licensing hours for their area in their policy statements.

Section 61 – Effect of start and end of British Summer Time

128. This addresses an existing problem in relation to British Summer Time. The changing of the clock makes it difficult to fix on a uniform approach to whether the hours after midnight ought to be determined by the number of hours of extension granted in the licence application or by reference to the actual time on the clock. The Bill provides that under the new licensing system the times would be determined by the number of hours authorised at the time the licence was granted. Accordingly this section provides that at the times of the year when clocks are moved forwards or backwards to accommodate the requirements of British Summer Time, there
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would be a uniformity of approach throughout the country as to the effect which this has on closing times.

129. Subsection (2) in effect means that in those licensed premises which are authorised to open later than the hour when the change takes place, their closing time should be determined by reference to the number of hours after midnight when they are authorised to be open rather than by the actual time shown on the clock.

PART 6 – PERSONAL LICENCES

Section 62 – Personal licence

130. This section provides for the new personal licence. Each premises licence must name the “premises manager” for the premises. The application for the licence will have to contain information as to the proposed premises manager. In terms of the mandatory conditions in schedule 3, the premises manager will have to hold a personal licence. Other personal licence holders could be employed on the premises to help the premises manager out. A personal licence would permit that person to supervise and authorise sales of alcohol on the premises.

Section 63 – Application for personal licence

131. This section sets who can apply for a personal licence. This is any individual aged 18 years or more.

Section 64 – Notification of application to chief constable

132. This section places a duty on Licensing Boards to notify the chief constable of all applications received for personal licences. This is a key element of the new licensing system in that, when considering granting personal licences, it is important that an effective system is in place to enable Boards to ascertain whether or not someone is a suitable person to hold a licence. In that respect, to be eligible for a personal license a person must not have been convicted of any relevant or foreign offence. This is a change from the current test under the 1976 Act of being a “fit and proper person”.

133. Subsections (2) and (3) provides that the chief constable should respond, within 21 days, with information as to whether or not the applicant has any convictions for a relevant or foreign offence.

134. Subsection (4) provides that where a chief constable finds that an applicant has a conviction for a relevant or foreign offence then he may recommend to the Licensing Board that the personal licence application in question should be refused, if he thinks it necessary to do so for the purposes of the crime prevention objective.
Section 65 – Determination of personal licence application

135. This section sets out the procedure that Licensing Boards must undertake when considering personal licence applications, and following receipt of the chief constable’s response under section 64.

136. Subsection (2) provides that where all the conditions set out in subsection (3) are met, and there are no convictions, then the Licensing Board must grant the personal licence to the relevant person. If a condition of subsection (3) is not met the application must be refused. The conditions in subsection (3) require the applicant to be 18 or over, to hold a licensing qualification and not to have forfeited a personal licence within the preceding 5 years.

137. Subsection (5) provides that, in the circumstances where all the conditions in subsection (3) have been met, but the Licensing Board has received notice from the chief constable that the applicant has been convicted of a relevant or foreign offence, then the Board must hold a hearing so that the licence application can be considered in light of the details in the notice received from the chief constable. The circumstances thereafter under which the Boards should consider granting or refusing the licence application are set out in subsection (6). The Board therefore is not bound to refuse the licence just because of the existence of a relevant or foreign offence.

Section 66 – Applicant’s duty to notify Licensing Board of convictions

138. This section places a duty on the applicant for a personal licence to inform the Licensing Board to whom they have made the application of any relevant or foreign offence that they have been convicted of in the period between making their application and it being determined by the Licensing Board.

139. Subsection (2) provides the time limit within which the applicant must notify the Licensing Board with the information set out in subsection (3).

140. The Licensing Board must suspend consideration of the application and, in the meantime, pass the notice of conviction to the chief constable. The chief constable must, within 21 days, check the conviction and whether it relates to a relevant offence or foreign offence and respond accordingly to the Licensing Board. Subsection (6) sets out the mandatory requirement for such notices to be given by chief constables.

141. Where chief constable confirms the existence of the conviction and that it is for a relevant or foreign offence, the chief constable may recommend to the Licensing Board that, in the interests of the crime prevention licensing objective, the licence application should be refused.

142. The Licensing Board must resume consideration of the application on receipt of the chief constable’s response and determine it in accordance with section 65.
Section 67 – Issue of licence

143. This section provides for the issue of a licence by the Licensing Board on the granting of an application. Subsection (2) sets out the minimum content of the personal licence. Subsection (3) ensures that an individual may hold one personal licence at a time.

Section 68 – Period of effect of personal licence

144. Personal licences will be valid for 10 years with the possibility of renewals for further periods of 10 years. Subsection (4) ensures that periods of suspension count towards the 10 year period. The Licensing Board must let personal licence holders know when their licences are about to expire.

Section 69 – Renewal of personal licence

145. This section sets out the steps an individual must take to apply for the renewal of a personal licence. Applications for renewal are to be made to the Licensing Board which originally granted the licence. Subsection (2) provides that applications for renewal can only be lodged within a two-month period beginning three months before the licence’s expiry. Subsection (5) provides that the procedure outlined under sections 64 and 65 applies to renewals as it does to the grant of the personal licences.

Section 70 – Notification of determinations

146. This section places a duty on Licensing Boards to notify the applicant and appropriate chief constable of any decision to grant or refuse an application. Subsection (3) provides that Licensing Boards must explain their decision to the chief constable in cases where they have granted a licence and an objection notice was given by the police. Where an application has been refused, reasons must be given to the applicant and the chief constable.

Section 71 – Duty to notify court of personal licence

147. Where someone who holds a personal licence is charged with a relevant offence the person must, under this section, notify the court of the existence of the licence and produce the licence to the court. Anyone who fails to comply with these requirements would be guilty of an offence. This notification will help the courts identify those cases to which section 72 applies.

Section 72 – Court’s duty to notify Licensing Board of convictions

148. This section sets out the obligations of the court to the relevant Licensing Board where a personal licence holder is convicted of a relevant offence. The clerk to the court must notify the relevant Licensing Board within the time period specified the nature of the conviction.

149. Subsection (3) provides that where the Licensing Board receives notice from the courts, but the personal licence holder in question is working in another Board’s area, then the Licensing Board which received the notice must provide that other Licensing Board with the required information.
Section 73 – Licence holder’s duty to notify Licensing Board of convictions

150. This section requires that, where the holder of a personal licence is convicted of a relevant offence or foreign offence, the holder must, within one month, notify the Licensing Board which issued the licence and, if different, the Board for the area in which the licence holder is working, of the conviction. Where a Licensing Board receives a notice under this section and has reason to believe that the licence holder is working in the area of another Board, the receiving Board must notify that other Board of the conviction.

151. Subsection (3) sets out the mandatory requirements for the content of such notices of conviction and what information must accompany those notices.

152. Subsection (5) provides that failure to comply with this section is an offence.

Section 74 – Procedure where Licensing Board receives notice of conviction

153. This section sets out the procedure to be followed when a Licensing Board receives notice that a personal licence holder has been convicted of a relevant or foreign offence. It is primarily for the Licensing Board for the area in which the licence holder is working to take action under this section. But if the licence holder is not working in any licensed premises then it will be for the Licensing Board which issued the personal licence to take action.

154. Under this section, the Licensing Board must notify the appropriate chief constable of the conviction. The chief constable must check the conviction and whether it is for a relevant or foreign offence and must reply accordingly within 21 days. Where the conviction is confirmed and it is for a relevant or foreign offence, the chief constable may recommend revocation, suspension or endorsement of the licence.

155. If the chief constable confirms the conviction the Licensing Board must hold a hearing.

156. Subsections (8) and (9) provide a power for Licensing Boards, should they decide to take action against the personal licence holder to revoke, suspend or endorse the licence. When making such an order they must give notice of this, and their reasons for making it, to those persons listed in subsection (10)(a) to (c).

Section 75 – Conduct inconsistent with the licensing objectives

157. This section provides the procedure that Licensing Boards must adopt when, in the course of reviewing a premises licence under section 36 of the Bill, the Board finds that a personal licence holder was acting on the premises in question in a manner that was not consistent with the licensing objectives established by this Bill.

158. Subsections (3) to (5) provide that if the situation in subsection (1) applies then a hearing must be held by the Licensing Board for the area in which the personal licence holder is working or, if the licence holder is not working, by the Licensing Board which issued the personal licence. There is provision requiring the Licensing Board making the finding to notify the Licensing Board which is to hold the hearing, if it is different.
159. Subsections (6) and (7) provide a power for the Licensing Board holding the hearing to revoke, suspend or endorse the personal licence holder’s licence if satisfied that it is necessary to do so for the purposes of any of the licensing objectives.

160. Subsection (8) places a duty on the Licensing Board to give notice of the making of an order to those persons listed in paragraphs (a) to (c).

Section 76 – Expiry of endorsements

161. This section provides for the expiry of endorsements of a personal licence after 5 years. An endorsement for this purpose is an endorsement made in pursuance of an order endorsing the licence made by a Licensing Board.

162. Subsection (3) permits the personal licence holder who has an endorsement on their licence to apply to the relevant Licensing Board, once the endorsement has expired, to have it removed. Where a Licensing Board receives such an application they must remove the endorsement if it has expired.

163. An expired endorsement is to be disregarded whether or not it has been removed from the licence.

Section 77 – Suspension of licence after multiple endorsements

164. This section provides that when a personal licence holder receives 3 endorsements to their licence under sections 74 or 75 of the Bill the Licensing Board which issued the licence must hold a hearing to consider what action should be taken against the licence holder.

165. Subsection (3) provides sanctions that could be taken against the personal licence. These are suspension of the licence for up to 6 months or revocation of the licence.

Section 78 – Licence holder’s duty to undertake training

166. This section makes it mandatory for all personal licence holders to undertake prescribed training every 5 years and to provide the relevant Licensing Board with evidence that they have undertaken this training. Should a personal licence holder fail to undertake the necessary training they would have their personal licence revoked.

167. Subsection (2) places a duty on Licensing Boards to inform personal licence holders of this requirement within the time period specified in this subsection.

168. Subsections (1) and (4) provide a power for the Scottish Ministers to set out the details of the required training in regulations.
Section 79 – Notification of change of name or address

169. This section provides that the holder of a personal licence must notify the relevant Licensing Board of any change of name or address within one month and must enclose the information specified in subsection (2) with such notice. Failure to do so would be an offence.

Section 80 – Licensing Board’s duty to update licence

170. Where certain changes have been made to the terms or effect of a personal licence, (for example, where it has been renewed, suspended or a change of details has been notified), the Licensing Board must make the necessary amendments to the licence.

171. The Licensing Board may require the personal licence holder to present the licence for amendment within 14 days. Failure by the licence holder to comply with this obligation, without reasonable excuse, is an offence.

Section 81 – Power to specify which Licensing Board is to exercise functions under this Part

172. This is a general power permitting the Scottish Ministers by way of an order to re-determine which Licensing Board is the relevant one to carry out the functions of this Part of the Bill.

Section 82 – Power to prescribe licensing qualifications

173. This section provides power for the Scottish Ministers to set out in regulations the mandatory requirement for qualifications required to obtain a personal licence. Different qualifications could be prescribed in relation to different types of licensed premises. Someone could act as the premises manager for a particular type of licensed premises only if they hold the appropriate qualification prescribed for that type of premises (see paragraph 4(1)(d) of schedule 3).

Section 83 – Theft, loss etc. of personal licence

174. This section permits personal licence holders to apply to the Licensing Board that issued the licence for a copy of the licence if it has been lost, stolen, damaged or destroyed. Where a Licensing Board receives such an application they would be under a duty to issue a replacement if the conditions set out in subsection (2) are met. If the licence was lost or stolen, this must be reported to the police before a copy would be issued. The Bill applies to a copy in the same way as it applies to the original.

Section 84 – Licence holder’s duty to produce licence

175. This section applies where the holder of a personal licence is working on licensed premises. A constable or Licensing Standards Officer may require the holder to produce his or her personal licence. Failure to produce it would be an offence.
PART 7 – CONTROL OF ORDER

Section 85 – Exclusion orders

176. The Licensed Premises (Exclusion of Certain Persons) Act 1980 provides for the criminal courts to make an exclusion order against a person found guilty of an offence committed on licensed premises (other than an off-licence). This section replaces the 1980 Act which is repealed in its entirety by the Bill.

177. This section applies where a person is convicted of a violent offence committed on, or in the immediate vicinity of, any licensed premises (other than premises which have only an occasional licence). It also introduces a new civil procedure for a premises licence holder to apply through the civil courts for an exclusion order.

178. Subsection (2) provides a power for the criminal court, when convicting the person of the violent offence, to make an exclusion order against the person.

179. Further to the powers provided for criminal courts in subsection (2), subsection (3) provides an additional power under which the holder of the premises licence for the premises concerned may, by summary application to the sheriff made within 6 weeks of the conviction, seek an exclusion order against the person. Subsections (4) and (5) set out the conditions that must be considered by the sheriff and if he is satisfied that they are met then he may grant the exclusion order.

180. An exclusion order prohibits the person convicted from entering the licensed premises concerned without the consent of the premises licence holder or someone authorised by the licence holder to give consent. An exclusion order made by the criminal courts can also exclude the person from other licensed premises.

181. Subsection (7) provides that an exclusion order may have effect for a maximum of 2 years.

Section 86 – Breach of exclusion order

182. This section provides that it would be an offence for a person subject to an exclusion order to breach that order and sets out in subsection (2) what sanctions may be taken against them.

183. Subsection (3) provides a discretionary power for the court to vary or terminate the exclusion order.

184. Subsections (4) and (5) provide a power for the premises licence holder or a constable to remove the person breaching the exclusion order from the licensed premises.
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Section 87 – Exclusion orders: supplementary provision

185. This section provides that an exclusion order may still be made where an absolute discharge is given under section 246(3) of the Criminal Procedure (Scotland) Act 1995.

186. Subsection (3) places a duty on the clerk of the court or the sheriff clerk to send a copy of the exclusion order to the premises licence holder.

Section 88 – Closure orders

187. Subsection (1) provides a power for Licensing Boards, on application from a senior police officer, by order to close any licensed premises if disorder is imminent and closure is necessary for public safety.

188. Subsection (2) provides a power for a senior police officer to make an order to authorise immediate closure of licensed premises under the same conditions but only if the risk to public safety is such that immediate closure is necessary. An order made by senior police officer is referred to as an “emergency closure order” and has effect for no more than 24 hours.

Section 89 – Termination of closure orders

189. This section places a duty on the appropriate senior police office to terminate any closure order, whether made by them or a Licensing Board, where it is no longer necessary for public safety. The premises licence holder can also apply to the Licensing Board for termination of a closure order.

Section 90 – Extension of emergency closure order

190. This section provides a power for a senior police officer to extend the duration of emergency exclusion orders if the conditions set out in subsection (2) are met.

191. Subsection (3) provides that extensions to closure orders made under this section cannot come into force unless the appropriate constable has notified a responsible person in relation to the premises.

Section 91 – Regulations as to closure orders

192. This section gives the Scottish Ministers a power by regulation to make further provision as to the procedure to be followed in connection with the making of closure orders and extensions to closure orders.

PART 8 – OFFENCES

Section 93 – Sale of alcohol to a child or young person.

193. This section makes it an offence for anyone to sell alcohol to children or young people anywhere. This is a widening of the existing offence provided for in section 68 of the Licensing
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(Scotland) Act 1976, which is restricted to the licence holder, his employee or agent in licensed premises.

194. Subsection (2) provides a defence if the seller believed that the purchaser was 18 or over and either he took all reasonable steps to establish the purchaser’s age or nobody could reasonably have suspected from the purchaser’s appearance that he was under 18.

195. Subsection (3) further provides what “reasonable steps” are. The seller would be deemed to have taken all reasonable steps if they had seen evidence of that person’s age and that evidence would have convinced a reasonable person. However, if it is proved by the prosecution that the evidence of age was such that no reasonable person would have been convinced by it (for example if the proof of age was either an obvious forgery or clearly belonged to another person), the defence would fail.

Section 94 – Allowing the sale of alcohol to a child or young person

196. This section deals separately with “allowing” the sale of alcohol to children or young people. It applies only to sales on “relevant premises” by “responsible persons”. “Relevant premises” is defined in section 114 and means basically any premises on which alcohol is lawfully sold. “Responsible person” is also defined in section 114 of the Bill. It has different meanings in relation to different types of premises and covers basically those with some responsibility for sales of alcohol. It also includes anyone over 18 who works on the premises and who has authority to prevent the sale.

Section 95 – Sale of liqueur confectionery to a child

197. This section makes it an offence to sell liqueur confectionery to a child under 16. Subsection (2) provides a defence if the seller believed that the purchaser was 16 or over and if either he took all reasonable steps to establish the purchaser’s age or if nobody could reasonably have suspected from the purchaser’s appearance that he was under 16.

198. Subsection (3) provides that the accused would be deemed to have taken “all reasonable steps” if he was shown evidence of the individual’s age and that evidence was such that it would have convinced a reasonable person.

Section 96 – Purchase of alcohol by or for a child or young person

199. Subsection (1) makes it an offence for a child or young person to buy or attempt to buy alcohol whether or not on licensed premises.

200. Subsection (2) makes it an offence for an adult to act as an agent for a child or young person in purchasing or attempting to purchase alcohol (for example, if a child gives money to an adult to buy alcohol on their behalf). It is also an offence to buy alcohol for a child or young person to consume on relevant premises. The offence also applies where a member of a club has alcohol supplied to a child or attempts to do so.
201. Subsection (3) provides that it would not be an offence to buy beer, wine, cider or perry for a person aged 16 or 17 to consume with a table meal on relevant premises.

**Section 97 – Consumption of alcohol by a child or young person**

202. Subsection (1) makes it an offence for a child or young person knowingly to consume alcohol on relevant premises.

203. Subsection (2) also makes it an offence for a responsible person knowingly to allow the consumption of alcohol by a child or young person on relevant premises.

204. Subsection (3) provides that the offences in this section will not be committed where a 16 or 17-year-old consumes beer, wine, cider or perry with a meal.

**Section 98 – Unsupervised sale of alcohol by a child or young person**

205. This section provides that it would be an offence for a responsible person to knowingly allow a child or young person to sell, supply or serve alcohol, unless the alcohol is for consumption off the premises or is for consumption with a meal and (in either case) the sale is specifically authorised by someone aged 18 or over.

**Section 99 – Delivery of alcohol by or to a child or young person**

206. This section relates to off-sales. Subsections (2) and (3) make it an offence for any responsible person to allow someone under the age of 18 to deliver alcohol from such a premises or to deliver alcohol, or allow it to be delivered, to someone under 18.

207. Subsections (4) and (5) provide for exemptions. The offence would not apply where the child or young person delivering or taking delivery works at the relevant premises, or at the place of delivery, in a capacity which includes the delivery of alcohol. An example of this would be where a young person is helping out in a family business, or works at a reception desk at the place of delivery. In addition, alcohol may be delivered to a child or young person where it was bought for delivery to the home or workplace.

**Section 100 – Sending a child or young person to obtain alcohol**

208. This section provides that it would be an offence to send a child or young person to obtain alcohol which is sold for consumption off the premises. This offence would cover, for example, circumstances where a parent sends their child to an off-licence to collect some alcohol which had been bought over the telephone.

209. Subsection (2) provides that the offence will be committed regardless of whether the child or young person is sent to the actual premises from where the alcohol is sold or supplied, or whether he is sent to other premises to which the alcohol has been sent.

210. Subsection (3) provides that the offence will not be committed where the child or young person works at the premises in question and his job involves taking deliveries of alcohol.
Section 101 – Duty to display notice

211. This section provides that it would be a statutory requirement that there must be displayed on all relevant premises (defined in section 114) in a prominent place at all times a notice stating that it is an offence for a person under the age of 18 to buy or attempt to buy alcohol on the premises or for a person to buy alcohol on their behalf. The notice must also contain a statement as to the “no proof – no sale” requirement.

212. The form and size of the notice will be set out in regulations.

213. Subsection (4) provides that it would be an offence for anyone specified in subsection (5) relating to the premises in question, not to display such a notice.

Section 102 – Drunk persons entering or in premises on which alcohol is sold

214. This section provides that it would be an offence for a drunk person to attempt to enter any relevant premises (defined in section 114 – basically any premises on which alcohol is lawfully sold). It also makes it an offence for a person, whilst on relevant premises, to be drunk and incapable of taking care of himself or herself. A person committing an offence under this section can be arrested without warrant by the police.

Section 103 – Obtaining of alcohol by or for a drunk person

215. This section provides that it would be an offence for any person to buy or attempt to buy alcohol for someone who is drunk or to help a drunk person to obtain or consume alcohol. The offences only apply where the alcohol is to be consumed on relevant premises.

Section 104 – Sale of alcohol to a drunk person

216. This section provides that it would be an offence for any responsible person working on relevant premises to sell alcohol to someone who is drunk.

Section 105 – Premises manager, staff etc. not to be drunk

217. This section provides that it would be an offence for any responsible person (ie the premises manager and anyone else who works on relevant premises) to be drunk on the premises.

Section 106 – Disorderly conduct

218. Subsection (1) provides that it would be an offence for any person to behave in a disorderly manner or to annoy others with offensive language on relevant premises.

219. Subsection (2) provides that it would be an offence for any responsible person in relation to relevant premises to allow disorderly conduct on the premises. Subsection (3) provides a “due diligence” defence for a person charged with an offence under subsection (2).
220. Subsections (4) and (5) confirm the penalties for offences committed under this section.

Section 107 – Refusal to leave premises

221. This section makes it an offence for a disorderly person to refuse to leave relevant premises when asked or for any person to refuse to leave licensed premises at closing time when asked. Subsection (3) gives the police a power to assist in removing someone committing an offence under this section.

Section 108 – Offences relating to sale of alcohol by wholesale

222. This section provides that it would be an offence for a wholesaler to sell alcohol from premises not used only for that purpose. “Wholesale” and “wholesaler” are defined, for the purposes of this Bill in section 137.

Section 109 – Prohibition of sale of alcohol on moving vehicles

223. This section deals with for example “party buses” and “stretch limousines” that currently provide alcohol. It makes it an offence for any person to knowingly sell alcohol on any vehicle whilst it is moving. “Vehicle” is defined in section 137 and basically means any road vehicle.

Section 110 – Delivery of alcohol from vehicles etc.

224. This deals with deliveries of alcohol and would provide that all such deliveries and carrying of alcohol in vehicles is properly and clearly recorded.

Section 111 – Carriage of alcohol on public service vehicles

225. This section deals with the carrying of alcohol on hired public service vehicles. It restricts the amount of alcohol that can be allowed to be carried onto the bus or coach to 3.5 litres. The holder of the PSV licence for the bus or coach and employees and agents of the licence holder are made primarily responsible for ensuring compliance with this section. But anyone who tries to persuade a PSV licence holder or his employee or agent to allow alcohol to be taken on to a bus or coach in breach of this section also commits an offence.

Section 112 – Prohibition of late-night deliveries of alcohol

226. This section deals with off-sales and provides that it would be an offence for anyone who works on these licensed premises to deliver alcohol between 12 midnight and 6 am and also an offence for any responsible person to allow such a delivery.

Section 113 – Keeping of smuggled goods

227. This section provides that it would be an offence knowingly to keep or allow to be kept on any licensed premises any illegally imported goods.
228. Subsection (3) provides a power for the courts to order the forfeiture or destruction of goods kept in breach of subsection (1).

PART 9 – MISCELLANEOUS AND GENERAL

Section 115 – Excluded premises

229. This section provides that those premises described in subsection (2) would be excluded from the new licensing regime, and as such the sale of alcohol would not be permitted on these premises. Paragraph (a) is intended to cover motorway service areas and paragraph (b) covers petrol stations and garages. Subsection (5) provides a power for the Scottish Ministers to amend the list of excluded premises by way of regulations.

Section 116 – Exempt premises

230. This sets out those premises which are to be exempt from the requirement to hold a licence under the Bill. An “examination station” at any airport is basically the area beyond the security check-in.

Section 117 – Special provisions for certain clubs

231. This section deals with clubs. At present clubs are regulated under Part VII of the Licensing (Scotland) 1976 Act by virtue of registration granted by a sheriff. This system was first introduced by the Licensing (Scotland) Act 1903. That system is repealed by the Bill. Instead, the general licensing regime will apply to clubs as it applies to other premises, subject to the provisions in this section.

232. Subsections (1) provides a power for the Scottish Ministers to prescribe categories of clubs that would be exempt from the application of those provisions of the Bill listed in subsection (2). The general effect is that such clubs would not need to have a premises manager and the overprovision ground of refusal would not apply. Subsection (3) permits the Scottish Ministers to prescribe different descriptions of clubs for the purposes of different provisions set out in subsection (2).

233. Subsections (4) confers power on the Scottish Ministers to provide for further modifications of the Bill as it applies to such categories of clubs as they may specify.

Section 118 – Vessels, vehicles and moveable structures

234. “Premises” for the purposes of the Bill includes vessels, vehicles and other moveable structures. In the case of vessels, this section effectively provides for the “home port” of the vessel to be treated as the place where it is situated. That means, for example, that it would be the Licensing Board for that port that would have jurisdiction to grant a licence for the vessel.

235. In the case of vehicles and other moveable structures, this section effectively means that, where alcohol is to be sold on or from the vehicle etc. while it is parked somewhere, a separate licence will be needed for each such place.
Section 119 – Power to prohibit sale of alcohol on trains

236. Subsections (1) and (2) provide for the prohibition of the sale of alcohol at specified stations or on any train travelling between specified stations for a specified period. An order made under this section may be made by a sheriff on application by a senior police officer, if the sheriff is satisfied that the order is necessary for the prevention of disorder.

237. Subsection (3) requires the senior police officer who applied for the order to serve a copy of the order on the train operator or operators concerned.

238. Subsection (4) provides that it would be an offence for anyone knowingly to sell alcohol, or to permit its sale, in contravention of such an order.

Section 120 – Relevant offences and foreign offences

239. This section provides a definition of the term “foreign offence” used for the purposes of this Bill and provides a power for the Scottish Ministers to set out by way of regulations a list of “relevant offences” for the purposes of this Bill.

Section 121 – Effect of appeal against conviction for relevant or foreign offence

240. This section provides that the duties placed on Licensing Boards under this Bill relating to relevant and foreign offences may still be carried out if the conviction is subject to appeal but the Board has discretion to postpone their action.

241. Subsection (3) provides that the Board’s actions will have no effect if the conviction is overturned on appeal.

Section 122 – Appeals

242. This section provides that any person who makes an application to a Licensing Board under the provisions of this Bill may appeal by way of stated case to the sheriff principal. This section also provides that, in the case of a decision taken on review of a premises licence, the holder of the licence also has a right of appeal.

243. Subsection (3) sets out that appeals will ordinarily be by way of stated case to the sheriff principal. However, under subsection (4), an appeal against an immediate suspension of a licence can be made by way of summary application to the sheriff, which is a quicker procedure.

244. Subsection (5) establishes the grounds on which appeals could be made.

245. Subsection (7) sets out the powers of the sheriff or sheriff principal where an appeal made under this section is upheld.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

Section 123 – Appeals: supplementary provisions

246. This section sets out those procedural matters relating to appeals made under section 122 and provides that any further procedural matters that might be required would be prescribed by Act of Sederunt.

Section 124 – Hearings

247. This section provides that any hearing held under the provisions of this Bill must be held at a meeting of the Licensing Board. It also provides a power for the Scottish Ministers to make regulations that would set out all other procedural matters relating to any hearing held under the provisions of this Bill including those matters set out in subsection (3).

Section 125 – Form etc. of application and notices

248. This section provides a power for the Scottish Ministers to make regulations that would set out the form and content of applications and notices made or given under the Bill and the manner in which they are to be made or given.

Section 126 – Power to relieve failure to comply with rules and other requirements

249. This section provides a power for Licensing Boards to overlook any procedural failing and thus enable them to deal with applications etc. despite procedural requirements not having been met.

Section 127 – Fees

250. This section provides a power for the Scottish Ministers to make regulations that would enable fees to be charged by Licensing Boards.

251. Subsection (3) places a duty on the Scottish Ministers to consult with those persons listed in paragraphs (a) and (b) before making any such regulations under this section.

252. Subsection (4) establishes that a Licensing Board need not carry out any of its functions relating to the application for which fees are payable until they are paid. Subsections (5) and (6) set out who fees should be payable to. Ultimately, fee income will be paid over to the councils.

Section 128 – Inspection of premises before grant of licence etc.

253. This section provides a power for Licensing Standards Officers and the police to enter premises at any time in those circumstances linked to a relevant application or review, provided for in subsection (1), and if needed to use reasonable force to do so. This is for the purposes of assessing the likely effect on the promotion of the licensing objectives of the grant of the application or the effect of the sale of alcohol under the licence. It also provides that anyone preventing those persons from undertaking this task would be guilty of an offence.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

Section 129 – Police powers of entry

254. This section provides that a constable would have a lawful right of entry to any licensed premises and to any other premises where he has reason to believe alcohol is being sold in breach of section 1(1) of the Bill.

255. Subsection (4) establishes the conditions under which a police officer below the rank of inspector may enter the premises.

256. Subsection (5) provides that it would be an offence for anyone to obstruct the police in the carrying out of their functions under this section.

Section 130 – Remote sales of alcohol

257. This section deals with situations where alcohol is delivered from a different place from that where order for the alcohol is placed. Subsection (1) and (2) provide that where the place of despatch is in Scotland, the sale is treated as having happened at that place. For example, when alcohol is bought via mail order or a telephone call centre and sent out for delivery from a separate warehouse, the sale would, for the purposes of this Bill, be treated as having taken place at the warehouse and not the call centre. The requirement for a premises licence would, therefore, apply to the warehouse rather than the call centre.

258. Subsections (3) and (4) provide a power for the Scottish Ministers to provide for the regulation of the converse scenario ie where the alcohol is ordered in Scotland but delivered from a warehouse outside Scotland.

Section 131 – Presumption as to liquid contents of containers

259. This section establishes a presumption relating to the contents of a container. This basically means that, for the purposes of a trial for an offence under the Bill, any liquid found in a container is to be presumed to be the liquid that the label on the container suggests it is. This section replicates what was previously provided for in the Licensing (Scotland) Act 1976 relating to such matters.

260. Under subsection (4) the presumption can be rebutted, but notice of intention to lead evidence to rebut the presumption must be given. The prosecution or defence may wish to rebut the presumption. For example, the defence may want to prove that the contents of what appears to be a bottle of alcohol was not in fact alcohol and the prosecution may want to prove that the contents of what appears to be a bottle of coca cola was in fact alcohol.

Section 132 – Offences by bodies corporate etc.

261. This section deals with offence committed by companies, partnerships and other bodies. It effectively provides for certain persons responsible for the management or control of these bodies to share criminal responsibility for offences committed with their consent or connivance or due to their neglect.
Section 133 – Guidance

262. This section provides a power for the Scottish Ministers to issue guidance to Licensing Boards. It also allows the Scottish Ministers to modify any guidance given by them. Subsection (5) places a duty on the Scottish Ministers to lay a draft of the first set of guidance to Licensing Boards before the Parliament and confirms that the guidance would be subject to the affirmative resolution parliamentary procedure. Subsection (6) provides that any subsequent guidance issued must be laid before the Parliament.

Section 134 – Crown application

263. This section makes it clear that the provisions of the Bill apply to Crown bodies as they apply to everyone else. So, for example, a licence is required for the sale of alcohol on any properties managed by Historic Scotland.

Section 135 – Ancillary provision

264. This section allows the Scottish Ministers to make ancillary provision in statutory instruments in consequence of this Bill. This power will, for example, be used to make transitional provision and further consequential modifications.

Section 136 – Orders and regulations

265. This section sets out the parliamentary procedure in relation to orders and regulations made by the Scottish Ministers under the provisions of the Bill.

Section 137 – Interpretation

266. This section defines certain terms used throughout this Bill.

Section 138 – Index of defined expressions

267. This section provides an index indicating where definitions of specific terms used throughout the Bill can be found.

Section 139 – Repeals

268. This section introduces schedule 5 to the Bill which contains repeals of enactments.

Section 140 – Short title and commencement

269. This section provides for commencement by order.

SCHEDULE 1

270. This schedule sets out procedural matters relating to the membership and other administrative matters for Licensing Boards provided for by section 5 of the Bill.
271. **Paragraph 1** provides for the maximum and minimum numbers of members of Licensing Boards and that they should be councillors and provides for the membership of Boards for Licensing Divisions.

272. **Paragraph 2** sets out the arrangements for the election of Licensing Boards by local councils and includes provision on elections to fill vacancies.

273. **Paragraph 3** provides the circumstances in which councillors would be disqualified from membership of Licensing Boards.

274. **Paragraph 4** establishes the duration for membership of Licensing Boards and also provides that a member may seek re-election, or resign at any time, and also sets out the circumstances when a member would cease to hold office. **Paragraph 5** provides for the removal of members.

275. **Paragraph 6** makes provision for the election of a convener for each Licensing Board. It establishes the duration of office of the convener, including their eligibility for re-election. It provides that the convener may resign at any time and also provides when they would cease to hold office. **Paragraph 7** makes provision for the removal of the convener.

276. **Paragraph 8** requires the local councils to appoint clerks for the Licensing Boards and to provide other staff, property and services that would be required to enable the Boards to carry out their functions. **Paragraph 9** enables the Board to establish committees.

277. **Paragraph 10** provides a power for Licensing Boards to delegate their functions under this Bill, apart from those functions set out paragraph 10(2), to any of those persons listed in paragraph 10(1).

278. **Paragraph 11** provides that it would be mandatory under this Bill for all members of Licensing Boards to undertake the required training within 3 months of appointment and that they could not take part in any Board proceedings until they had undertaken the required training. Failure to do so would result in the member of the Board having to leave office. It also provides a power for the Scottish Ministers to make regulations prescribing the training requirements.

279. **Paragraph 12** establishes the procedure that Licensing Boards would have to operate when conducting meetings of the Boards. A power is provided for the Scottish Ministers to make regulations that would set out further provisions relating to proceedings of Licensing Boards. Any other matters not so provided for would be determined by Licensing Boards themselves by way of rules.

280. **Paragraph 14** makes transitional provision. It provides that existing members of Licensing Boards elected under the provisions of the Licensing (Scotland) Act 1976 would continue to hold office until the new elections are held. This would ensure continuity of membership until such time as this Bill comes into force and new members are elected following the first local government elections held whilst this Bill is in force.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

SCHEDULE 2

281. This schedule sets out the membership, administration and other procedural matters relating to Local Licensing Forums established under section 10 of this Bill.

282. Paragraph 2 makes provision as to the membership of the Forums and seeks to ensure that the membership is as representative as possible of the interests of those persons listed in paragraph 2(5)(a) to (e). It also provides that the relevant local authority may determine the terms and conditions for membership of Local Licensing Forums.

283. Paragraph 3 establishes the procedure for the election of conveners for Local Licensing Forums.

284. Paragraph 4 places a duty on local authorities to provide the Local Licensing Forums with administrative support.

285. Paragraph 5 sets out that the Forums must hold at least 4 meetings per year.

SCHEDULE 3

286. This schedule establishes the national mandatory licence conditions for premises licences issued under the Bill, ensuring national consistency on those issues provided for.

287. Paragraphs 2 and 3 ensure compliance with the operating plan which accompanies the premises licence application under section 19(2) of this Bill.

288. Paragraphs 4 ensure that each licensed premises has a premises manager who holds a valid personal licence. Paragraph 5 ensures that sales of alcohol are overseen by the premises manager or someone else holding a personal licence.

289. Paragraph 6 establishes that it would be a mandatory requirement for all persons who are involved in the sale or serving of alcohol to undertake the required training. This paragraph also provides a power for the Scottish Ministers to make regulations prescribing the mandatory training.

290. Paragraph 7 applies only to on-sales and provides that it would be a mandatory requirement that the prices of alcohol would have to be fixed for at least 48 hours. This precludes “happy hours”.

291. Paragraph 8 applies only to on-sales and establishes national licence conditions prohibiting irresponsible drinks promotions. These conditions are aimed at reducing the problems of binge drinking and under-age drinking. A power is provided for the Scottish Ministers to add to the list of proscribed promotions.

292. Paragraph 9 applies only to on-sales and requires non-alcoholic drinks to be made available.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

293. **Paragraph 10** ensures that annual fees are paid. Non-payment of fees will accordingly be a breach of licence conditions.

**SCHEDULE 4**

294. This schedule establishes the national mandatory licence conditions for occasional licences issued under the Bill, ensuring national consistency on those issues provided for. The conditions are similar to those for premises licences.

295. **Paragraphs 2 and 3** ensure compliance with the terms of the occasional licence issued under section 53 of this Bill.

296. **Paragraph 4** applies only to occasional licences issued to persons who a premises or personal licence and requires sales of alcohol to be supervised by someone who holds a personal licence.

297. **Paragraph 5** applies only to occasional licences issued to voluntary organisations and ensures that alcohol may only be sold at events run in connection with the organisations’ activities.

298. **Paragraph 6** requires the price of alcohol to be fixed for at least 48 hours. This prohibits “happy hours”.

299. **Paragraph 7** establishes national licence conditions relating to irresponsible promotions. These conditions are aimed at reducing the problems of binge drinking and under-age drinking. A power is provided for the Scottish Ministers to add to the list of proscribed promotions.

**SCHEDULE 5**

300. This schedule sets out those enactments, sections of enactments and Parts of enactments that are to be repealed by the Bill.

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**FINANCIAL MEMORANDUM**

**INTRODUCTION**

301. The proposals set out in this Bill would modernise the present licensing regime which controls the sale of alcohol in Scotland. The proposals are underlined by a consistent philosophy provided through the licensing objectives and offer a balanced package which reflects the needs of individuals, communities, business and consumers. The Bill addresses the issues of how, when and where individuals can access alcohol within a framework that ensures that misuse of alcohol and spin off nuisance and crime are not fuelled by a lax licensing system. The Executive recognise that the majority of individuals drink responsibly and want to ensure that social drinking in Scotland can be enjoyed in a safe welcoming environment.
302. Alcoholic beverages are an important commodity bringing economic benefits to Scotland through their production and sale. Employment in the drinks and hospitality sector in Scotland amounted to 200,000 people (Pathfinder – Drinks and Hospitality, Scottish Executive, March 1999). Scotland benefits not only from the employment opportunities and economic benefits of brewing and distilling but also from the opportunities created in the retail sector of the hospitality industry, both by national chains and by successful independent Scottish companies. Some retailers and producers in Scotland are at the forefront of current best practice – they and all responsible members of the licensed trade in Scotland deserve support.

303. However, the Executive recognises that misuse of alcohol brings with it a substantial cost to society. This may amount to medical, psychological and social harm caused to individuals and their families by alcohol dependence or to the wider costs to communities caused by the other related consequences of irresponsible drinking such as intimidation, violent crime and traffic casualties. The cost imposed upon the NHS in Scotland at 2001/02 prices was £95.6 million, and the total cost to Scottish society was estimated to be £1.1 billion (‘Alcohol Misuse in Scotland Trends and Costs’, Scottish Executive, October 2001).

304. The Bill supports the Scottish Executive’s wider agenda of cracking down on binge drinking and underage drinking and the consequent antisocial behaviour and crime it can cause.

COSTS ON THE SCOTTISH ADMINISTRATION

305. Liquor licensing would continue to be administered locally by local authority Licensing Boards so centrally borne costs will be kept to a minimum. There would be some costs which are set out below.

306. Although not provided for in the Bill, the Executive is committed to establishing a new National Licensing Forum and some costs would be attached to this. In the first instance this Forum would be established as a Task Force and reviewed after around 18 months. The Forum would play a key role in keeping licensing law and practice under review and would contribute to the development of statutory guidance. The Forum should be in a position to respond to new challenges concerning the way people choose to drink and the market’s response. It would also bring a level of consistency which would be important as part of the national framework introduced by the Bill within which Boards will be required to operate. This type of forum already operates and works well – the Scottish Ministerial Advisory Committee on Alcohol Misuse (SMACAM) is a good example.

307. A public appointments process will take place to appoint Forum members, who are expected to be experts in the field and drawn from a range of interests including health interests, local authorities, the police and the licensed trade. The number of members is still to be determined but is likely to be at least 10. Forum members would be unpaid but would receive travel and subsistence costs. This might amount to £5,000 annually for 2-4 meetings. Scottish Ministers would chair the Forum meetings. Administrative support would be provided by Scottish Executive staff and would not require any additional resources.

308. The Forum would contribute to statutory guidance for Licensing Boards and there would be a cost to the Executive of printing and distributing that guidance. It is impossible to be
entirely accurate about this until the size of the document is known but can be expected to be at least £10,000. Publicity for the guidance may cost an additional £10,000.

309. The Scottish Executive would also undertake the production and publication of two leaflets:

- a basic guide to liquor licensing containing relevant information for both applicants and objectors,
- a guide for premises and personal licence holders.

310. Publication and distribution costs for these leaflets may amount to £10,000 per leaflet. Translation costs may amount to an additional £20,000. Costs for the Forum would commence during the financial year 2005/06 while the costs of the leaflet could be expected to fall within the financial year 2007/08.

Courts

311. The ability to appeal against Licensing Board decisions would be far more extensive under the new system. All decisions would be open to appeal and Boards would be required to demonstrate that decisions have been proportionate. Although this might be expected to increase the workload for the courts, we think this would be balanced out by other elements of the new system i.e. the need to consult on and publish a policy statement, statutory guidance from the Executive on the operation of the new system and more robust procedures which Boards would be expected to follow. This should reduce the occasions when there is a need for an appeal.

312. Savings would be made for the sheriff court, which would no longer deal with the registration of clubs. The Scottish Court Service running costs associated with the registration of clubs average £5,000 p.a. The cost, however, is distributed across the 49 sheriff courts, and thus it is not possible to identify a discrete resource which can be offered up in respect of this saving. Clubs would in future be wholly dealt with by Licensing Boards.

313. We estimate the cost to judicial salaries in respect of appeals to the sheriff principal to be £22,000 p.a. This can, however, be absorbed within existing resources. There would be a saving of £20,000 p.a. as a result of the repeal of the existing appeal to the sheriff. There is not, however, a discrete resource which can be offered up in respect of this saving. Rather, it would be applied to reducing the time taken to hear the remaining categories of business. The Scottish Court Service running costs associated with the new appeal provision are £6,500 p.a. These would, however, be directly offset by the saving arising out of the repeal of the existing provision, as there is no difference in respect of the resource demand of an appeal to the sheriff or sheriff principal. These figures are based on having 30 appeals a year (this being the average annual number of such appeals the Nicholson Committee found to be taking place in recent years).
COSTS ON LOCAL AUTHORITIES

Cost recovery

314. The Licensing regime is already a function carried out at local authority level by Licensing Boards. This would not change. Local authorities would continue to bear the ongoing costs of administrating the licensing process. There would of course be considerable changes to the framework of the new system although many of the administrative tasks required to administer that system would be similar e.g. processing applications against new statutory criteria, Board hearings, requesting views from the police, dealing with licence objections and representations and handling complaints. The costs of running the system would be recouped through the licensing fee. Fee levels are presently set centrally by the Scottish Ministers and this process would continue into the new regime. The Bill will enable the Minister through regulations to establish the fee payment structure, these regulations will be subject to consultation and a regulatory impact assessment. The cost of a basic licence to sell alcohol, which lasts three years, costs £172 whether the premises is a small shop selling miniatures to the tourist market or a large nightclub.

315. Due to geographical differences in the concentration and spread of licensed premises, Licensing Boards do not deal with a uniform number of applications. Licensing Boards currently process applications during statutory quarterly meetings and in the year up to 31 December 2003 would have dealt with approximately 15,921 applications and requests for extensions to licensing hours. Indications from some Licensing Boards are that the present fee levels do not adequately cover costs. The Executive have estimated from figures supplied by a sample of Boards that, on average, 42% of costs are not being met by the direct payment of the current level of fees.

316. Set out below as an example of the costs of the present licensing system is a table constructed from information supplied by boards, concerning the financial year 2002-03. The examples represent the Boards found within a local authority areas for a city, for two sizable rural authorities and for two small local authorities. The table lists the number of licences in force, the fees collected, an estimate of the costs in carrying out the licensing function for the authority and the specific advertising component of that cost.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

**Licensing Board costs**

<table>
<thead>
<tr>
<th>Type of council</th>
<th>Number of licences</th>
<th>Total fee revenue</th>
<th>Cost of advertising</th>
<th>Total running cost (including advertising) of the licensing board</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>1,800</td>
<td>£301,200</td>
<td>£106,000</td>
<td>£375,500</td>
</tr>
<tr>
<td>Rural 1</td>
<td>740</td>
<td>£99,200</td>
<td>£20,000</td>
<td>£119,100</td>
</tr>
<tr>
<td>Rural 2</td>
<td>690</td>
<td>£100,300</td>
<td>£19,200</td>
<td>£120,700</td>
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<tr>
<td>Small 1</td>
<td>160</td>
<td>£34,400</td>
<td>£13,800</td>
<td>£48,700</td>
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<tr>
<td>Small 2</td>
<td>390</td>
<td>£67,00</td>
<td>£12,800</td>
<td>£125,200</td>
</tr>
</tbody>
</table>

317. To ensure that the system can be self financing, the Scottish Executive is commissioning a full fee review. The review’s remit is to estimate the potential costs to local authorities of administering the proposed liquor licensing regime and to propose a fee charging structure that enables the regime to be adequately funded through its fee collection. The research would:

- estimate the expected costs to local authorities of administering the new licensing regime, including those costs arising from transition;
- consider the fee options available and recommend an appropriate fee charging structure. The fee options examined would include the use of a banded fee structure where the banding is graduated by the rateable value of licensed premises and a single flat rate;
- provide an analysis of the financial impact of the various fee options on a sample of specific individual Scottish local authorities.

The review is expected to be complete by July 2005 at which time the Executive would expect to provide updated information to be read with this Financial Memorandum.

318. The tables below show the growth of liquor licences in force in Scotland since 1945 and the corresponding fee increases over a similar period. From 1953 to 1977 the fee stayed the same until the Licensing (Scotland) Act 1976 came into force and licensing was transferred to local authorities. Since 1977, in consultation with Cosla and the licensed trade, the Executive has increased fees by the cost of inflation only.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

Number of liquor licences in force in Scotland

<table>
<thead>
<tr>
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<th></th>
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<th></th>
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<tbody>
<tr>
<td>ON-SALE</td>
<td>5,586</td>
<td>6,802</td>
<td>8,993</td>
<td>10,876</td>
<td>10,944</td>
</tr>
<tr>
<td>OFF-SALE</td>
<td>2,188</td>
<td>3,385</td>
<td>4,899</td>
<td>6,336</td>
<td>6,104</td>
</tr>
<tr>
<td>ALL LICENCES</td>
<td>7,774</td>
<td>10,187</td>
<td>13,892</td>
<td>17,212</td>
<td>17,048</td>
</tr>
</tbody>
</table>

Fee increases since 1953

<table>
<thead>
<tr>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full</td>
<td>£0.85</td>
<td>£50</td>
<td>£100</td>
<td>£120</td>
<td>£172</td>
</tr>
<tr>
<td>Renewal</td>
<td>£0.85</td>
<td>£25</td>
<td>£50</td>
<td>£60</td>
<td>£80</td>
</tr>
<tr>
<td>Regular extension</td>
<td>N/A</td>
<td>£25</td>
<td>£50</td>
<td>£60</td>
<td>£80</td>
</tr>
<tr>
<td>of permitted hours</td>
<td></td>
<td></td>
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319. The Bill introduces 2 types of licence: the premises licence and the personal licence. The former would be held by the owner of the premises and the latter would be held either by an owner or by employees such as managers and supervisors. The main costs of running the system would be recouped through the premises licence fee. The Bill will continue the operation of the Occasional licence enabling licence holders to cater for events taking place outwith licensed premises. There is no information available on the amount of occasional licences presently granted each year.

320. Fees for a premises licence would need to increase to a more sustainable level to support the costs of the new system. The Executive expect the fee review to indicate what that level would be and to suggest a model based on graduated fees which will take into account the need to avoid unduly penalising small businesses. A ‘retention fee’ charged annually is also likely to be a necessary feature since premises licences under the new system would be open ended. This would help to ensure that there is a continuing income stream. Personal licence applications are likely to be subject to a fixed fee.

321. The following model is therefore likely:

- **Premises licence:**
  
  Application fee (graduated to allow for different sizes of business)
  Annual ‘retention’ fee at a lower level

- **Personal Licence:**
  
  Application fee
  Renewal fee (after 10 years)
Detailed costs

Licence applications and Board meetings

322. The new licensing system would abolish statutory quarterly licensing meetings and Boards would be empowered to organise their business in a way which suits them, including meeting as required. Licensing Boards would initially face an increase in work for the following reasons:

- existing licence holders (17,000 across Scotland) would require to submit applications to transfer to the new regime;
- registered members clubs are being brought within the licensing system – at present there are 2,349 clubs registered with sheriffs in Scotland;
- a new personal licence is being introduced – at least one person from each of the 17,000 existing premises would require to hold a personal licence.

323. A substantial decrease in workload would follow since some key elements of the existing system are not being replicated:

- there would be no licence renewal for the premises licence (licences are currently renewed every 3 years but would be open ended in future);
- there would be no requirement to apply for an annual renewal of extended opening hours (10,239 licensed premises applied for extended hours in 2002-03).

324. The Executive anticipate that, due to the removal of renewals and reapplications, Licensing Boards would no longer operate within a framework of statutory quarterly meetings. They could in future move to a system which would reflect the amount of work required of the Licensing Board members. This could reduce costs as a premises licence would no longer require renewal subsequently reducing the need for Board Hearings. This reduction though would depend on the number of new hearings concerning licence variations and complaints a Board might undertake.

Advertising costs

325. At present a notable expense in dealing with licence applications is the duty on the Licensing Board to advertise such applications in the local press. In 2002-03 the advertising costs to the City of Glasgow Licensing Board were £106,000. This contrasts with costs to the Perth and Kinross Board of £19,225. From a wider sample of Licensing Boards, advertising costs appear to account on average for 16% of a Board’s overall expenditure. This cost can be expected to reduce substantially under the new system.

326. Licensing Boards should have websites established by 2005, in line with existing Government targets for public sector organisations to have all those transactions capable of being dealt with electronically on-line. It is the Executive’s policy that, once websites are running, Boards should no longer be required to advertise in the local press. This is welcomed by Boards, not only for the cost implications, but also because it can be seen as an inefficient means of communication with the public.
These documents relate to the Licensing (Scotland) Bill (SP Bill 37) as introduced in the Scottish Parliament on 28 February 2005

327. Direct notification of neighbours, the community council, police and fire authorities would continue under the new system but would be carried out by Licensing Boards as opposed to the applicant as at present. This is therefore a new administrative cost on Boards and it is difficult to attach a specific figure to this. This task is being transferred to Boards for reasons of fairness and was a direct recommendation of the Nicholson Committee. Boards will require to establish the addresses (though not necessarily the names) of ‘neighbours’ within a radius of 50 metres using plans. This system already functions well in planning using a radius of 4m. We consider this to be insufficient for licensing as did the clear majority of respondents to the consultation.

Training

328. The new regime would require Licensing Board members to undergo training. This is not a requirement at present. Each Board would consist of a maximum of 10 members and such training would be likely to cost the Board between £550 to £1500. This figure is based on completing a ‘Servewise’ Course or the British Institute of Innkeeping’s Scottish Licensee’s Certificate at a current cost of £55 or £150 per member. Such costs would be expected to recur whenever a new licensing board member is appointed.

Policy statements

329. Boards would need to produce and consult on a statement of policy regarding licensing within their areas. This would be a triennial cost although the cost would be expected to reduce following the initial exercise. Boards would also need to undertake an overprovision assessment for their area. This means identifying whether there are some areas within a Board’s control which have reached saturation point in terms of the numbers and concentration of on sales or off sales or both. Some Boards already have such processes in place in relation to concerns that have arisen under the present regime. The concept is not a new one since overprovision has been a ground of licence refusal since 1976. However this is the first time that a proactive assessment has been required. The development of such polices is expected to be highly beneficial. They would clarify the Board’s thinking on suitable policies for their area and would be a visible record for the licensed trade of the approach a particular Board plans to take. It should also be advantageous to businesses looking to invest in the market to be able to assess a Board’s 3 year policy and to have a clear statement about the areas in which a Board would not propose to grant new licences.

330. The development of policy in general and on overprovision in particular would require a degree of time from Board staff so there will be an additional administrative cost. The Executive expects policies would be drawn up prior to the start of the transitional period for the new system. In England and Wales Local authorities were given six months to develop policies. The Executive would liaise with CoSLA and Boards on a suitable development and consultation period for Scotland which seeks to avoid placing unnecessary pressure on Board staff.

Local Licensing Forums

331. The new system proposes to establish Local Licensing Forums. Forums would include a range of interested parties allowing active participation from grass roots level in influencing the direction of local decision making. Forums would not comment on individual applications but would have a clear role in being consulted on the Board’s policy. The establishment of Forums
would be a duty of the local authority who will be required to make the appointments and ensure facilities are provided for meetings (at least 4 meetings per year). Many local authorities have already set up such bodies although they are voluntary at present. The Executive see this process involving minimum cost to the Local Authority. Costs would largely be those attached to providing a meeting room a minimum of 4 times per year. Local authorities may also decide to offer training to members of the Forum – Servewise training could be provided at a current cost of £55 per member.

**Monitoring and enforcement costs**

332. Recent years have seen a large increase in the number of different types of licensed premises ranging from off-sales and cafes to pubs and nightclubs. Correspondingly, a need has developed for regular compliance monitoring to be carried out. Traditionally, some monitoring and enforcement has been carried out by police forces. While the police would continue to exercise their customary role in relation to behaviour which constitutes a criminal offence in terms of licensing law, they cannot be expected to supervise a licensee’s compliance with the terms and conditions of a liquor licence. This gap would now be filled by new Licensing Standards Officers (LSOs) who would be responsible for the monitoring and enforcement of the new regime. LSOs would be empowered to mediate to resolve problems at local level, would deal with complaints and would report problem premises to the Licensing Board for action. They would of course liaise actively with the local police. Together with this supervisory function, LSOs would also look to act in an advisory capacity, advising licence holders and helping to raise standards in an effort to prevent underage and binge drinking.

333. Whilst it would be mandatory for each local authority to appoint one LSO, the number required to cover the authority’s area would be a matter for them. The minimum number appointed in Scotland would be 32, one for each local authority. The Nicholson Committee recommended 3 for each authority producing a total of 66. We believe the actual number will be between these two figures as smaller local authorities may only require one where those with a high concentration of licensed premises may need a greater number. Depending on their finalised job description (to be drawn up by the National Licensing Forum) an LSO salary would be expected to be in the range of £15,000 - £30,000.

**COSTS ON OTHER BODIES, INDIVIDUALS & BUSINESSES**

**Police**

334. The adverse effects of alcohol cost the criminal justice system an estimated £267.9 million annually. Police responsibility will generally remain the same with responsibility for conducting checks on licence holders, enforcement and offering views on complaints. The police would have a new responsibility for conducting checks on those applying for the new personal licence. This would be an additional cost in terms of police time depending on the numbers of prospective applicants. However, those licences would remain valid for a 10 year period. In addition, checks on applications for both premises and personal licences would be specifically linked in future to whether or not relevant criminal convictions exist rather than, as at present, a check on other intelligence in order to decide whether someone is a ‘fit and proper person’. This concept is considered to be outdated and has already been abolished in England and Wales.
If the overall aims of the new system to assist in reducing binge drinking and under age drinking are met then the associated social consequences of antisocial behaviour, vandalism and crime might also be expected to reduce over time. Ultimately this system should help to reduce the pressure on police time caused by this behaviour which has come to blight the evening economies of towns and cities, especially at the weekend.

The National Health Service

Alcohol misuse attendances at A&E cost £10.5 million for the year 2002/03. This factor is one of the reasons that the Scottish Executive wishes to see a licensing system in place that can support the wider action that the Health Department is taking to deal with the consequences of misuse of alcohol. Ultimately the Executive hope that the proposed changes to licensing, particularly the Executive’s planned action to tackle irresponsible drinks promotions, will lead to a reduced cost on the NHS, however it is not possible to identify specific savings at the present time.

Business

Personal and premises licences

All those who presently retail alcohol, whether by on or off sales, must obtain a premises licence to allow them to continue to sell alcohol in future. In addition, the manager of the premises would be expected to hold a personal licence. One designated personal licence holder would be required but some premises may decide to employ more than one personal licence holder.

Personal licence holders would be required to undertake accredited training before application and refresher training every 5 years. Training will be devised in conjunction with the National Licensing Forum but will be expected to be modelled on existing training such as Servewise Plus at a cost of around £85 per person or the British Institute of Innkeeping’s Scottish Licensee Course at around £150 per person. In addition the Executive would expect Boards to charge a fee for the licence application and renewal. That fee would need to cover costs but would not be expected to be beyond the reach of small businesses or of individuals who may be covering their own training costs. In England and Wales a charge of £37 is proposed. Some Licensing Boards such as Glasgow already insist on training before issuing licences and it is of course good practice for operators to ensure that key staff are trained. Training is a fundamental part of the new system intended to raise standards and the Executive see this as an acceptable business cost which efficient businesses are already bearing.

At present an application for a full licence which runs for three years costs £172 and a subsequent renewal for a further period of three years costs £86. Holders of a public house or hotel licence face a further fee of £86 (which runs concurrently with their full licence) should they wish to hold a children’s certificate. Where a premises wishes to secure a regular extension to their permitted hours there is a further annual fee of £86.

The premises licence will take the place of the existing 7 types of liquor licence, the children’s certificate and the annual application for extension of opening hours. As outlined
above, the Executive expect that the premises licence will involve a one off fee on application which will be graduated and an annual ‘retention’ fee.

341. Licensing fees are currently charged by local authorities for a variety of activities. The following table shows a sample and indicates how widely costs can vary.

**Table of licence fee comparison**

<table>
<thead>
<tr>
<th>Type</th>
<th>Sub Type</th>
<th>Duration</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full licence</td>
<td>New</td>
<td>3 year</td>
<td>£172</td>
</tr>
<tr>
<td></td>
<td>Renewal</td>
<td>3 year</td>
<td>£86</td>
</tr>
<tr>
<td>Regular extension</td>
<td>yearly</td>
<td></td>
<td>£86</td>
</tr>
<tr>
<td>Children’s certificate</td>
<td>3 year</td>
<td></td>
<td>£86</td>
</tr>
<tr>
<td>Provisional grant</td>
<td></td>
<td></td>
<td>£138</td>
</tr>
<tr>
<td>Betting &amp; gaming</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Betting office licence</td>
<td>3 year</td>
<td></td>
<td>£125</td>
</tr>
<tr>
<td>Bingo licence</td>
<td>New</td>
<td>3 year</td>
<td>£3,915</td>
</tr>
<tr>
<td></td>
<td>Renewal</td>
<td></td>
<td>£1,595</td>
</tr>
<tr>
<td>Casino</td>
<td>New</td>
<td>1 year</td>
<td>£29,640</td>
</tr>
<tr>
<td></td>
<td>Renewal</td>
<td></td>
<td>£8,150</td>
</tr>
<tr>
<td>Civic</td>
<td>Sex shops</td>
<td>1 year</td>
<td>£1,000 - £5,000</td>
</tr>
<tr>
<td>Public entertainment (Edinburgh)</td>
<td>1 year</td>
<td></td>
<td>£800</td>
</tr>
<tr>
<td>Public entertainment (Aberdeen)</td>
<td>3 years</td>
<td></td>
<td>£570</td>
</tr>
<tr>
<td>Other</td>
<td>Cinema</td>
<td>1 year</td>
<td>£600</td>
</tr>
</tbody>
</table>

342. The Executive expect the cost of applying for a premises licence to be substantially increased for some businesses – this is likely to be the case for larger business enterprises. For smaller businesses such as grocers stores with a liquor licence or small licensed cafes, the increase would be smaller. The Executive expects to graduate fees on a basis which is proportionate to the size and turnover of the premises. Figures will depend on the findings of the fee review. However, the Executive are committed to discussing possible models with the licensed trade as part of that review. In addition, the Bill makes it clear that fees cannot be set without consultation with CoSLA, Licensing Boards and the licensed trade.

**Staff training**

343. As all permanent staff serving alcohol would require training this would entail some additional expenditure for business. Training will be discussed with the National Licensing Forum and nationally accredited. It is the Executive’s intention that employers would have 2 options:
• to send staff on a recognised accredited training course such as Servewise at a cost of £55 per person,
• to provide accredited in house training. To qualify as an accredited Servewise trainer costs £535, with an annual ongoing registration of £45 and a cost of £9 per candidate.

344. For many in the trade there would be a need to pay their staff for the time spent attending the course and they may also have to pay for someone to cover the shift. However, as training for all servers of alcohol becomes the norm, more and more staff would be going to employers having already completed their training. Exemptions will be allowed for casual staff who have worked in the trade for less than 4 months.

Licence conditions

345. Some businesses may face additional costs in implementing standard national licence conditions or further conditions placed on them by the Licensing Board. For example, the pool of conditions proposed for premises opening after midnight suggests that the installation of CCTV may be required for some premises. The British Entertainment and Dance Association (BEDA) estimates the average fitting cost for a nightclub CCTV system would be around £5000 per premises. However, the use of such conditions was a regular feature of the previous system. Such requirements are expected to be necessary for some premises catering for a late night market, particularly in city centres, where public safety is paramount.

346. In restricting the use of alcohol promotions to curb binge drinking, some businesses may face a change in costs related to how they market or promote themselves. They may also in some cases face a reduction in profits due to the removal of happy hours. This may apply to producers as well as retailers. The Executive are unable to quantify these costs. In addition, it would still be possible for on sales to run with lower prices provided these are maintained for a minimum of 48 hours. This would still allow, for example, lower prices to be charged mid-week when premises are traditionally quieter.

Wholesales

347. Wholesalers would no longer be able to sell to the public unless they obtain a personal and premises licence in line with other retailers. Previously if wholesalers sold more than 12 bottles in a single transaction, they were not obliged to obtain a licence. Wholesalers selling exclusively to the trade would continue to benefit from a licence exemption but the Executive see no reason why this should be the case if sales can be made to the public.

Passenger ships and boats

348. Passenger ships or boats which ply their trade between ports in Scotland or on Scotland’s lakes and waterways will be obliged to have a premises licence and to have a personal licence holder on board at all times when the vessel is serving alcohol for consumption on board. Previously such craft have been excluded from the licensing regime if they only served alcohol when the craft had left its berth. The provisions in the Bill would require the boat to have obtained a premises licence and alcohol could only be served when a personal licence holder was on board. The boat’s operators would therefore be faced with the additional costs of obtaining a premises licence and in ensuring a member of the crew held a personal licence.
Occasional licences

349. Occasional permissions enable voluntary organisations to sell alcohol at events arising from or related to the organisations’ activities. These permissions will be replaced by occasional licences under the new system. A set fee of £10 is presently required for the granting of an occasional permission. A minimum set fee will continue with the new regime.

350. Occasional licences are also available to licence holders to enable them to cater for an event taking place outwith licensed premises. A set fee of £17 is presently required. The new regime would continue with a set fee, however this would be expected to rise to cover administration costs.

Individuals

351. An individual may be faced with the cost of training to obtain a personal licence since this could be seen by many as a trade qualification ensuring eligibility for a managerial position. Obtaining a personal licence would also require the payment of an administration fee as noted above and refresher training every five years.

TIMESCALES OVER WHICH COSTS ARE EXPECTED TO ARISE

352. After the transitional period, the cost of the licensing regime would enter a set cyclical pattern which would involve, for premises licence holders, an annual retention fee. For personal licence holders this cycle would involve refresher training every five years. For local authorities there would be an ongoing administrative cost of running Licensing Boards and local Forums and employing Licensing Standards Officers. It is difficult to identify how costs would fall as this would be dependent on how many businesses choose to enter and leave the market at any particular time. However, since premises licences would be open ended there would be no 3 year cycle of licence renewals and the benefits of this should be felt by Boards following the transitional period. The maximum period envisaged for the full implementation would be three years.

353. In the longer term, the Executive hope to see benefits to communities, Licensing Boards, the police, the NHS and business of an efficiently and fairly regulated system contributing to a reduction in binge and under age drinking and the associated problems brought about by the misuse of alcohol.
SUMMARY TABLE OF COSTS

| **SUMMARY OF ESTIMATED ADDITIONAL COSTS TO THE SCOTTISH ADMINISTRATION** |
|-----------------|-----------------|
| **REFERENCE**   | **COST**        |
| NATIONAL LICENSING FORUM | PARA 307 | £5,000 P.A. |
| PRODUCTION OF GUIDES TO THE NEW REGIME | PARAS 309-310 | £60,000 |

| **SUMMARY OF ESTIMATED ADDITIONAL COSTS TO INDIVIDUALS AND BUSINESS (ANY ADDITIONAL COSTS BORNE DIRECTLY BY LOCAL AUTHORITIES WILL BE RECOUPED THROUGH THE LICENSING FEE)** |
|-----------------|-----------------|
| **Ref** | **Cost** | **Type** |
| Premises licence – application and annual retention fees | Para 339 to 342 | Subject to findings of fee review |
| The fees will include an element to cover the following additional costs: | | |
| Training for Licensing Board members | Para 328 | £55 - £150 per Board Member |
| Licensing Standards Officers | Para 333 | £15,000 - £30,000 p.a. for each LSO |
| Personal licence – training | Para 338 | £85 - £150. Refresher training would be required every 5 years. |
| Personal licence – application and renewal fees | Para 338 | Subject to findings of fee review |
| Staff training | Para 343 | £55 per person. |
EXECUTIVE STATEMENT ON LEGISLATIVE COMPETENCE

354. On 28 February 2005, the Minister for Finance and Public Service Reform (Mr Tom McCabe) made the following statement:

“In my view, the provisions of the Licensing (Scotland) Bill would be within the legislative competence of the Scottish Parliament.”

PRESIDING OFFICER’S STATEMENT ON LEGISLATIVE COMPETENCE

355. On 24 February 2005 the Presiding Officer (Right Honourable George Reid MSP) made the following statement:

“In my view, the provisions of the Licensing (Scotland) Bill would be within the legislative competence of the Scottish Parliament.”