

STATES OF JERSEY



DRAFT LICENSING (LICENCE FEES) (JERSEY) REGULATIONS 201-

**Lodged au Greffe on 11th August 2015
by the Minister for Economic Development**

STATES GREFFE



DRAFT LICENSING (LICENCE FEES) (JERSEY) REGULATIONS 201-

REPORT

Introduction

Licensing fees must be fixed by Regulation under Article 11 of the Licensing (Jersey) Law 1974.

Licensing fees have not been increased since 2008, when they were increased by 2.5% over 2007. This will be rectified and fees will be brought up to date in line with inflation through legislation in time for liquor licence renewals for 2016, which are received (in accordance with Article 10 of the Licensing (Jersey) Law 1974) between 5th October and 5th November annually.

Rationale

The fee increase has been agreed as 17% across the board, which is a figure derived from 2.5% per annum or RPIX (whichever is lower) aggregated from 2008 to 2014. This is in line with the States of Jersey Financial Direction 4.1: ‘Increases in States Fees & Charges’.

Following consultation with key stakeholders, it has been agreed that, whilst the uprating of licence fees is long overdue, in order to reduce the financial burden on licensees, the increases will be phased in over 2 years. On this basis, the increase for 2016 (payable in 2015) will be 10% and the increase for 2017 (payable in 2016) will be 7% plus 2.5% as the estimated inflation rate for 2015¹, making an overall increase of 9.5%.

Effect

The following table shows the effect of the proposed increases on some example licences.

¹ An adjustment will be made in 2017 if the inflation rate or RPIX varies once figures have been published.

How Price Increases Translate to Licensees						
Category	Licence Type	Occupancy	Old Cost	Cost in 2016	Cost in 2017	Increase over 2 years
1	Taverner's (pub)	60	£498.20	£547.80	£599.40	£101.20
2	Residential	150	£160.50	£177.00	£193.50	£33.00
3	Restaurant	N/A	£434.00	£477.00	£522.00	£88.00
4	Comprehensive	400	£1,942.00	£2,138.00	£2,343.00	£401.00
5	Club	N/A	£324.00	£356.00	£390.00	£66.00
6	Off-Licence	N/A	£114.00	£125.00	£137.00	£23.00
7	Entertainment - Cinemas	N/A	£434.00	£477.00	£522.00	£88.00
7	Entertainment - Other	700	£749.00	£826.00	£903.00	£154.00

As shown, the effect of the net increases on the most common types of licence, such as the Category 1 Taverner's Licence, is limited to a few pounds a week. Larger premises with more expensive licences have proportionally more significant rises, but this must be seen in the context of both their existing higher cost base and turnover.

Financial and manpower implications

The fee increases are expected to raise an additional £50,000 (approximately) in liquor licensing revenue over 2 years. There are no manpower implications arising from the adoption of the draft Regulations.

Explanatory Note

These Regulations increase fees for licences issued under the Licensing (Jersey) Law 1974. The fees are increased in 2 phases.

The first increase, of 10%, will take effect on 1st October 2015.

The second increase, of 9.5%, will take effect on 1st October 2016.

The fees were last increased on 3rd October 2007.



DRAFT LICENSING (LICENCE FEES) (JERSEY) REGULATIONS 201-

Made

[date to be inserted]

Coming into force

[date to be inserted]

THE STATES, in pursuance of Article 11 of the Licensing (Jersey) Law 1974¹, have made the following Regulations –

1 Licence fees increased

- (1) In these Regulations, “the number of approved residents” means, in relation to premises, the maximum number of persons who may, at any time, be accommodated for reward on the premises.
- (2) Subject to paragraphs (4), (5), (6) and (7), the fees payable on the grant or renewal of licences that are applied for during the period of 12 months commencing with 1st October 2015 shall be as follows –

First Category (“Taverner’s Licence”)	£477, plus a fee of £1.18 multiplied by the number of approved residents
Second Category (“Residential Licence”)	A fee of £1.18 multiplied by the number of approved residents, with a minimum fee of £150
Third Category (“Restaurant Licence”)	£477
Fourth Category (“Comprehensive Licence”)	£1,190, plus a fee of £2.37 multiplied by the number of approved residents
Fifth Category (“Club Licence”)	£356
Sixth Category (“Off-Licence”)	£125

Seventh Category ("Entertainment Licence")	
(a) cinemas, theatres	£477
(b) places of entertainment other than cinemas and theatres	A fee of £1.18 multiplied by the number of persons mentioned in the permit for entertainment granted by the Bailiff in respect of the premises, with a minimum fee of £477.

- (3) Subject to paragraphs (4), (5), (6) and (7), the fees payable on the grant or renewal of licences that are applied for on and from the 1st October 2016 shall be as follows –

First Category ("Taverner's Licence")	£522, plus a fee of £1.29 multiplied by the number of approved residents
Second Category ("Residential Licence")	A fee of £1.29 multiplied by the number of approved residents, with a minimum fee of £164
Third Category ("Restaurant Licence")	£522
Fourth Category ("Comprehensive Licence")	£1,303, plus a fee of £2.60 multiplied by the number of approved residents
Fifth Category ("Club Licence")	£390
Sixth Category ("Off-Licence")	£137
Seventh Category ("Entertainment Licence")	
(a) cinemas, theatres	£522
(b) places of entertainment other than cinemas and theatres	A fee of £1.29 multiplied by the number of persons mentioned in the permit for entertainment granted by the Bailiff in respect of the premises, with a minimum fee of £522.

- (4) If licences of different categories are applicable to the same premises, a separate fee shall be payable in respect of each category of licence.
- (5) If a licence will expire within 6 months of its commencement, the fee for the licence shall be one-half of that prescribed in paragraph (2) or (3), as the case requires.
- (6) If a licence will expire more than 12 months and 7 days after its commencement, the fee for the licence shall be increased by one-twelfth.
- (7) If an application for grant of a licence is refused or withdrawn, the amount of the fee shall be refunded to the applicant.

2 Revocation

The Licensing (Licence Fees) (Jersey) Regulations 2007² are revoked.

3 Citation and commencement

These Regulations may be cited as the Licensing (Licence Fees) (Jersey) Regulations 201- and shall come into force 7 days after they are made.

¹

chapter 11.450
² *R&O.115/2007 (chapter 11.450.30)*