

<b>Economic Note</b>	<b>Number: HOEN 0037</b>		
<b>Title of regulatory proposal</b>	The Licensing Act 2003 (UEFA European Football Championship Licensing Hours) Order 2024		
<b>Lead Department/Agency</b>	Home Office		
<b>Expected date of implementation</b>	9 July 2024		
<b>Origin</b>	Domestic		
<b>Date</b>	21 February 2024		
<b>Lead Departmental Contact</b>	alcohollicensingconsultations@homeoffice.gov.uk		
<b>Departmental Assessment</b>	<b>GREEN</b>		
<b>Rationale for intervention, objectives and intended effects</b>			
<p>The Secretary of State for the Home Department (Home Secretary) can relax licensing hours nationally to mark occasions of '<i>exceptional international, national or local significance</i>' under the Licensing Act 2003. England and/or Scotland's participation in the semi-final and final of the Euro 2024 football tournament would qualify as such an occasion. The government needs to legislate so that individual premises with an on-premises alcohol license would not need to apply for a Temporary Event Notice (TEN) to temporarily extend their licensing hours in the event that one of the National football teams is involved in the semi-final and/or final of Euro 2024. The policy objective is that licensees and licensing authorities (LAs) would save time and money from not having to process these TENs. This is permissive legislation, meaning premises are not obligated to extend their hours but can do so by choice.</p>			
<b>Policy options (including alternatives to regulation)</b>			
<b>Option 1: 'Do nothing'.</b>			
<b>Option 2: Extend permitted licensing hours from 11pm to 1am the following morning - during the semi-final and final of Euro 2024 (9, 10 and 14 July 2024) for premises in England and Wales already licensed to sell alcohol for consumption on the premises that wish to extend their opening hours, contingent on England and/or Scotland reaching this stage. This is the government's preferred option.</b>			
<b>Costs and benefit summary</b>			
<p>There are two main benefits from this policy measure. The first is meeting a public expectation to celebrate the success of the national football teams. This is an unquantifiable social benefit. The other main benefit is the indirect benefit of potential cost savings for some businesses who choose to stay open late by removing the requirement to complete a TEN application, which is monetised. The main cost of the proposal is a potential increase in alcohol-related crime and health harms.</p>			
<b>Risks</b>			
<p>There is significant uncertainty associated with this analysis due to the lack of high-quality data to inform the number of premises that would temporarily extend their opening hours. This has been partly mitigated by taking low and high estimates as well as clearly explaining assumptions used in the economic modelling.</p>			
<b>Total Cost £m PV</b>	<b>Transition Cost £m</b>	<b>Cost to Business £m</b>	<b>Total Benefit £m PV</b>
<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.9</b>
<b>NPSV (£m)</b>	<b>BNPV (£m)</b>	<b>EANDCB (£m)</b>	<b>BIT Score (£m)</b>
<b>0.4</b>	<b>0.4</b>	<b>0.0</b>	N/A
<b>Price Base Year</b>	<b>PV Base Year</b>	<b>Appraisal period</b>	<b>Transition period</b>
2023/24	2024/25	2024-2025	N/A
<b>Departmental sign-off (SCS):</b>		Paul Regan	Date: 14/02/2024

<b>Chief Economist sign-off:</b>	Tim Laken	Date: 16/02/2024
<b>Better Regulation Unit sign-off:</b>	Emma Kirk	Date: 19/02/2024

## Evidence Base

### 1. Background

1. Section 172 of the Licensing Act 2003 (LA 2003) allows the Home Secretary to make a Licensing Hours Order (LHO) to allow premises to open for specified, extended hours to mark occasions of “*exceptional international, national or local significance*”<sup>1</sup>. This national power has been used to mark the Queen’s Platinum Jubilee (2022), the King’s Coronation (2023) and previous major sporting events such as UEFA Euro 2020 (2021).
2. An LHO can be used to relax licensing hours in licensed premises in England and Wales during a period not exceeding four days, as per subsection (5)(a) of section 172. An LHO may be applied to all licensed premises in England and Wales. It is a decision for individual premises as to whether they wish to extend their hours under this order. Other information in an order includes the dates, times and licensable activities to which it applies. An LHO can be used to relax licensing hours for any of, or all the licensable activities under the LA 2003<sup>2</sup>. These are:
  - The sale and supply of alcohol (on and off the premises),
  - The provision of regulated entertainment (plays, dance, live and recorded music, indoor sport, films and boxing and wrestling),
  - The provision of late-night refreshment (the sale of hot food and drink between 11pm and 5am).
3. The semi-finals of Euro 2024 are due to take place on Tuesday 9 and Wednesday 10 July 2024, and the final on Sunday 14 July 2024. The LHO would therefore potentially apply on Tuesday 9 and / or Wednesday 10 July, and on Sunday 14 July 2024, contingent on England and/or Scotland reaching these stages.
4. Unlicensed premises would not benefit from a relaxation in licensing hours and would still need to apply for a TEN to undertake licensable activities. As per section 136 of the Licensing Act 2003<sup>3</sup>, knowingly allowing or carrying on unauthorised licensable activities carries a maximum penalty of 6 months’ imprisonment and/or unlimited fine.
5. Alcohol licensing is a devolved matter in Scotland and Northern Ireland – the LHO would therefore only apply in England and Wales.

### 2. The policy issue and rationale for government intervention

The government considers the potential participation of the England and/or Scotland national football teams in the semi-final and final of Euro 2024 to be nationally significant events which

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<sup>1</sup> Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts.

<https://www.legislation.gov.uk/ukpga/2003/17/contents>

<sup>2</sup> Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts, Schedule 1.

<https://www.legislation.gov.uk/ukpga/2003/17/schedule/1>

<sup>3</sup> Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts. Section 136.

<https://www.legislation.gov.uk/ukpga/2003/17/part/7/crossheading/unauthorised-licensable-activities#commentary-key-03d91c860ccf7722844f2aa18252f550>

many people would wish to celebrate, should the teams reach these later stages of the tournament. This is the type of occasion that Section 172 of the LA 2003 is intended to cover.

### 3. Policy objectives and intended effects

6. A relaxation of licensing hours would mean that premises already licensed to sell alcohol for consumption on the premises would be able to do extend their opening hours (if they so wish) up to 1am the morning following the semi-final(s) and final, without the need for a TEN, contingent on England and/or Scotland reaching these stages in the tournament.
7. An extension to licensing hours would reduce the burden on licensed premises, which would not need to apply for a TEN to extend their opening hours. It would also reduce the burden on LAs who would otherwise have to process these notices.

### 4. Policy options considered, non-regulatory options, implementation date

8. Two options have been considered:
  - a) **Option 1: 'Do nothing'**. This would mean that on-trade licensed premises would have to apply for a TEN should they wish to extend their licensing hours for the final and/or semi-finals of the Euro 2024 tournament. One TEN can last for up to 7 days/168 hours, so premises do not need to apply for multiple TENs.
  - b) **Option 2: Extend permitted licensing hours to 1am the following morning** - during the semi-final and final of Euro 2024 (likely to be held **on 9, 10 and 14 July 2024**) for premises in England and Wales already licensed to sell alcohol for consumption on the premises, and premises licensed to provide regulated entertainment, that wish to extend their opening hours. This is **contingent on England and/or Scotland participating in those days' fixtures. This is the government's preferred option.**
9. The contingent relaxation of licensing hours by a LHO would allow licensed premises an optional extension in the latest hour for the sale of alcohol for consumption on the premises and for the provision of regulated entertainment (extending from 11pm until 1am the following morning) on the days of the semi-final(s) and final, contingent on England and/or Scotland playing in any of these matches. Under the LHO, those premises wishing to take part in these celebrations would automatically be able to extend their licensing hours without the need for a TEN.

#### Non-regulatory options

10. In the absence of a temporary relaxation of licensing hours, licence holders currently have the option, under the LA 2003, of giving a TEN<sup>4</sup> to extend their opening hours on a 'one-off', limited basis. TENs are widely used by licensed premises but are subject to certain annual limits and may be refused if the police or the Environmental Health Authority (EHA) object on grounds of the licensing objectives under the LA 2003.

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<sup>4</sup>Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts.  
<https://www.legislation.gov.uk/ukpga/2003/17/part/5/crossheading/temporary-event-notice>

11. A maximum of 15 TENs are permitted per year at any premises on a maximum number of 21 days.
12. Any licensed premises wishing to stay open later during the semi-final and final could therefore apply for a TEN to do so - this carries a fee of £21.00 and must be submitted at least 10 working days before the event in question begins and at least five working days for a 'late' TEN. If a LHO is not put in place, the large number of TENs that could potentially be requested could increase pressure on LAs, given the resource that would be required to process them.

## 5. Appraisal

13. All costs and benefits are calculated against **Option 1** 'Do nothing'. This option would mean on-trade licensed premises apply for a TEN should they wish to extend their licensing hours for the Euro 2024 the final and/or semi-finals, should England and/or Scotland play in those matches.

### General assumptions and data

#### **A1 – Estimating the number of premises that would choose to stay open later in the event that England and/or Scotland reach the final and/or semi-finals of Euro 2024**

14. There are an estimated 131,200 premises (year ending March 2022 data) in England and Wales with either an on-sales alcohol licence or both an on and off-sales licence<sup>5</sup>.
15. In the absence of more robust data, it is assumed that between 10 and 20 per cent of licensed premises would choose to stay open later should England and/or Scotland reach the final and/or semi-finals of Euro 2024 (whether they need to apply for a TEN or not) which translates into a range of between 13,120 and 26,240 premises. This assumption range reflects the range of scenarios possible, contingent on the teams reaching each stage; it is likely that more premises will choose to extend their hours for the final than if just one team reaches the semi-final, for example. This assumption is based on the relaxation of licensing hours economic note (EN) for the King's Coronation (2023) and Queen's Diamond Jubilee (2022) but is adjusted upwards by 5 per cent to reflect the different nature of a football-related celebration whereby late-night celebration may be more commonplace as matches may start in the evenings.<sup>6</sup>

#### **A2 – Estimating the total labour cost to businesses following a policy change**

16. This calculation assumes that the employee undertaking this task is within the category of: *Publicans and managers of licensed premises* and uses wage estimates from the 2023 Annual Survey of Hours and Earnings (ASHE), four-digit occupational coding (SOC) table<sup>7</sup>. These are inflated to 2024/25 prices using Office for Budget

<sup>5</sup> Home Office (2022) 'Alcohol and late-night refreshment licensing England and Wales, year ending 31 March 2022', National statistics. <https://www.gov.uk/government/statistics/alcohol-and-late-night-refreshment-licensing-england-and-wales-31-march-2022/alcohol-and-late-night-refreshment-licensing-england-and-wales-year-ending-31-march-2022>

<sup>6</sup> Home Office (2022), Relaxed licensing hours for the Queen's Platinum Jubilee. [https://www.legislation.gov.uk/ukxi/2022/504/pdfs/ukxi0d\\_20220504\\_en.pdf](https://www.legislation.gov.uk/ukxi/2022/504/pdfs/ukxi0d_20220504_en.pdf)

<sup>7</sup> ONS (2023) Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14, Table 14.5a, Datasets. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupatio n4digitsoc2010ashtable14>

Responsibility (OBR) GDP deflators. The ASHE data gives an hourly median wage of £14.68, inflated to £14.91 and is used across all scenario ranges.

17. However, this is just the wage cost and does not factor in other labour costs, such as pension and national insurance employer contributions. Therefore, the median wage is uplifted by a wage multiplier derived from the Office for National Statistics (ONS) Index of Labour Costs per Hour<sup>8</sup>, which is 1.1364. This gives the familiarisation labour cost of £16.94 per hour.

### **A3 – Estimating the saved time for businesses associated with giving a TEN**

18. In the ‘Do nothing’ scenario, on-trade licensed premises will have to apply for a TEN should they wish to extend their licensing hours.
19. To monetise this, calculations are made around the length of time it would take to read and comprehend a TEN application form. The form is currently 5,700 words in length<sup>9</sup>, which forms the upper range as it assumes that some individuals will read the bulk of the document as well as all of the footnoted and additional notes information. The lower range is 1,500 words, which is the total words of the main bulk of the form and assumes that some premises will be familiar with the application already and will not need to spend as much time reading and comprehending the document. The central estimate sits at 2,000 words and assumes that most licensed premises will read the main bulk of the form as well as relevant footnotes and additional information.
20. The total cost saving (estimated between £9,000 and £305,000) is calculated by multiplying the total time to read and complete a TEN form, by the average labour cost of *Publicans and managers of licensed premises* (£16.94) and the number of premises that are expected to extend their opening hours over the final and/or semi-finals (between 13,120 and 26,240). Each premise would be required to complete their own TEN.

### **A4 – Estimating the cost for LAs to process a TEN**

21. The fee for a TEN was set at £21 in the LA 2003<sup>10</sup> and has remained at this level since then. The purpose of this fee is to compensate the LA for the processing time for an officer to review the TEN application and is treated as cost recovery.
22. Due to an absence of high-quality data, it is unclear what the true processing costs of a TEN to LAs is. In the absence of this and for the purposes of this EN, the appraisal assumes that the cost recovery of £21 matches the costs to LAs. Because larger events may require more staff time, the high estimate uses a cost that is uplifted by 25 per cent, giving a cost of £26.25.

### **A5 – Estimating the familiarisation cost for premises following a policy change**

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<sup>8</sup> ONS (2020) Index of Labour Costs per Hour: level (£) by sector, seasonally adjusted. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/indexoflabourcostsperhourichseasonallyadjusted>

Methodology: Wholesaling, Retailing, Hotels & Restaurants Other Costs per hour (2020Q1 as the last Q unaffected by COVID-19 measures) divided by Wage Costs per hour.  $1.8/13.2 = 0.1364$  (4 d.p.). Multiplier is therefore 1.1364.

<sup>9</sup> The average time taken to read, comprehend and fill out a TENs form is between 2.5 and 40.9 minutes. These estimations are calculated using <http://www.readingsoft.com/>.

<sup>10</sup> Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts. <https://www.legislation.gov.uk/ukpga/2003/17/contents>.

23. A common economic cost to policy changes is a familiarisation cost. This is calculated to consider the opportunity cost for an individual spending time reading, comprehending, and becoming familiar with a policy change.
24. This calculation uses the assumption set above (A2) for the labour cost and assumes the employee undertaking this task is a *Publicans and managers of licensed premises* and uses wage estimates from the 2023 ASHE four-digit SOC table<sup>11</sup>.
25. To calculate the true familiarisation cost, the wage cost is multiplied by the time it takes to read and comprehend a small amount of online text explaining the policy change, which is assumed to be between 100 and 300 words<sup>12</sup>.

## Costs

### Monetised costs

#### Cost 1: Loss of revenue for licensing authorities (fees)

26. A potential cost arising from the LHO is likely to be the lost income to LAs, from the additional TEN fees that would have been charged. Assuming between 13,120 and 26,240 premises would have applied for a TEN for the fixtures, this equates to £0.3 million to £0.6 million of foregone income, with a central estimate of £0.4 million. However, the TEN fee is designed to cover the cost of processing TENs, meaning that LAs' financial position would not change should there be a reduction in TEN applications. Therefore, this figure is not included in the total costs. Instead, the opportunity cost of LAs' time, which they may spend working on other matters other than TENs, is listed as a benefit.
27. As these costs are fees and a transactional cost, which constitutes a transfer between two parties, they are not included in the Net Present Social Value (NPSV) for this measure.

#### Cost 2: Familiarisation cost

28. There may be a familiarisation cost to premises that would have applied for a TEN without the LHO, making staff aware of the legislation change. Premises do not need to take any action as a result of the policy and the familiarisation costs are simply reading and comprehending the new legislation, estimated to be between 100 and 300 words of written text. As this would not affect premises that are not planning to extend opening hours, they have not been included in the familiarisation cost.
29. This is calculated as the average time to read and fully comprehend 100 to 300 words of written text<sup>13</sup> multiplied by the total estimated cost of labour to businesses of *Publicans and managers of licensed premises* (£16.94 per hour<sup>14</sup>) multiplied by the number of

<sup>11</sup> ONS (2022), *Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14*, Table 14.5a, Datasets.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupatio n4digitsoc2010ashtable14>

<sup>12</sup> The average time taken to read and comprehend the policy change is between 0.2 and 3.1 minutes. These estimations are calculated using <http://www.readingsoft.com/>

<sup>13</sup> It is assumed that a policy update for premises noting that the new legislation will only be a small sized length of text. The average time taken to read and comprehend the policy change is between 0.2 and 3.1 minutes.

These estimations are calculated using <http://www.readingsoft.com/>.

<sup>14</sup> ONS (2023p) *Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14*, Table 14.5a, Datasets.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupatio n4digitsoc2010ashtable14>

premises that are expected to extend opening hours (between 13,120 and 26,240). The cost is estimated in a range of **£600 to £23,000**, with a **central estimate of £6,000**.

### **Non-monetised costs**

#### **Cost 3: Increased health harms**

30. This policy option may lead to a net rise in alcohol consumption due to the increased opportunity to buy alcohol in an on-sales premise for two extra hours per day on the three fixture dates. In this instance this could lead to a net increase in alcohol related health harms. This is reliant upon the health of individuals who consume alcohol and their personal consumption patterns.
31. This increased opportunity to consume alcohol only occurs over the three fixture dates in July 2024 and is unlikely to have severe long term health effects.

#### **Cost 4: Increased alcohol-related crime and disorder**

32. The LHO brings the potential risk of an increase in alcohol-related crime and disorder, which could impose costs on enforcement agencies and residents local to licensed premises. There is a strong link between alcohol and crime, in 42 per cent of all violent incidents in 2019/20 the victim believed the perpetrator to be under the influence of alcohol according to the Crime Survey England and Wales<sup>15</sup>. The relaxation of licensing hours would not be likely to result in a significant increase in the overall number of premises staying open late over the Euro 2024 final and/or semi-finals. However, there may be a small number of premises whose TENs would have been rejected or modified following LA, police or EHA concerns but would now be able to stay open late if licensing hours were relaxed.
33. There is an absence of reliable data on the impact on crime when relaxing the licensing hours for a nationally significant event. While industry stakeholders are supportive of extensions for sporting events, National Police Chiefs' Council leads for football policing and for alcohol harms and licensing have flagged data that shows the further the England team progresses in a tournament, the worse the associated violence is across communities and within licensed premises. They are therefore less supportive overall.

#### **Cost 5: Reduced sales for off-trade premises**

34. If licensed premises are open later as a result of the LHO, this may result in a displacement of alcohol sales from off-trade premises (places where alcohol is purchased for consumption away from premises, such as corner shops) to the on-trade premises, as more customers may consume alcohol in pubs and bars during and after the final and/or semi-finals. However, assuming only 10 to 20 per cent of all premises with an on-trade licence extend licensing hours as described above, any displacement effect is estimated to be small.

### **Benefits**

#### **Benefit 1: Saved costs for licenced premises (fees)**

35. One of the main benefits of this measure will be the cost savings to businesses from lifting the requirement to apply for a TEN.

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<sup>15</sup> ONS (2020), *Nature of crime: violence*.

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/natureofcrimetablesviolence>.



36. This benefit is calculated by multiplying the TEN fee (£21) by the 10 to 20 per cent assumption as per A1 of licenced premises expected to stay open late after the fixtures giving a range of fee savings to businesses between **£0.3 million and £0.6 million**, with a **central estimate of £0.4 million**.
37. The £21 fee for giving a TEN is considered a transactional cost (or transfer cost) and has been excluded from the NPSV for this measure.

### **Benefit 2: Saved time for licenced premises**

38. Another benefit to licensed premises associated with not having to apply for a TEN is the saved time of the Publican or premise manager of licensed premises not being required to complete an application form.
39. This benefit is calculated by multiplying the time taken to read and comprehend the TEN application form<sup>16</sup> by the total labour cost of *Publicans and managers of licensed premises* (£16.94 per hour<sup>17</sup>) multiplied by the number of premises expected to stay open later (13,120 and 26,240) giving a total range of savings between **£9,000 and £305,000**, with a **central estimate of £36,000**.

### **Benefit 3 – Reduced cost of processing TENs for licensing authorities**

40. The fee for a TEN was set at £21 in the LA 2003<sup>18</sup> to compensate the LA for the processing time for an officer to review the TEN applications.
41. Due to an absence of high-quality data, it is unclear what the true processing costs of a TEN to LAs is. In the absence of precise data and for the purposes of this EN, an assumption is made that the cost recovery of £21 matches the opportunity cost to LAs, with the high estimate adding 25 per cent to this, equating to £26.25 to account for potential increases in cost due to the anticipated large capacity and attendance to some establishments.
42. This is then multiplied by the number of premises expected to stay open later (as per A1) which is between 13,120 and 26,240. This gives a total range of savings between **£0.3 million and £0.7 million**, with a **central estimate of £0.4 million**.

### **Benefit 4 - Reduced cost of reviewing TENs for police forces and environmental health authorities**

43. The police and EHAs can review TENs and object to them on grounds of promoting the licensing objectives, by giving notice of their objection to the LA within three working days of receiving the TEN. There may be a benefit to police forces and EHAs through the saved costs of reviewing TENs. This benefit could not be quantified due to an absence of high-quality data on the time spent by these organisations on reviewing and objecting to TENs.

### **Benefit 5 - Wider economic benefits**

<sup>16</sup> The average time taken to read, comprehend and fill out a TENs form is between 2.5 and 40.9 minutes. These estimations are calculated using <http://www.readingsoft.com/>.

<sup>17</sup> ONS (2023p) Earnings and hours worked, *occupation by four-digit SOC: ASHE Table 14*, Table 14.5a, Datasets.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digitsoc2010ashtable14>

<sup>18</sup> Legislation.gov.uk (2003) *Licensing Act 2003*, UK Public General Acts. <https://www.legislation.gov.uk/ukpga/2003/17/contents>

44. There are likely to be additional benefits arising from extending licensing hours on three days, such as an increase in the derived demand for labour as well as complementary services like taxis and consumer spending elsewhere. It was not possible to quantify this benefit due to an absence of high-quality data.

#### **Benefit 6 – Increased profits for a greater number of premises staying open later**

45. It is possible that lifting the requirement to apply for a TEN, may incentivise more businesses to stay open later whom otherwise may not have done. This is because relaxing the licensing hours will reduce the opportunity costs for businesses to stay open as they will no longer need to factor in the cost of giving a TEN<sup>19</sup>. It is difficult to estimate how many additional businesses would do so.

#### **Benefit 7 – Meeting a public expectation to celebrate an event of national importance**

46. It is likely that there will be a positive effect on societal welfare as people see the government as encouraging them to celebrate an event of national importance, should England and/or Scotland progress far in the tournament. This is non-monetised, as the true emotional effect of the policy and any subsequent impacts are difficult to estimate, but it could positively influence public sentiment and encourage spending elsewhere in the economy.

#### **Net Present Social Value**

47. The total cost is estimated to be in a range of **£600 - £23,000 (PV)**, with a **central estimate of £6,000**. This is likely to be an underestimate due to the non-monetised costs in this option.
48. The total benefits are estimated to be in range of **£0.6 million to £1.5 million (PV)**, with a **central estimate of £0.9 million**. This is also likely to be underestimated due to the non-monetised benefits in this option.
49. The monetised cost to business is estimated to be between **£600 and £23,000 (PV)** with a **central estimate of £6,000**.
50. The monetised benefit to businesses is estimated to be between **£0.3 million and £0.8 million (PV)** with a **central estimate of £0.4 million**.
51. The Net Present Social Value (NPSV) lies in a range of **-£0.01 million to £1.3 million (PV)**, with a central estimate of **£0.4 million (PV)**.

**Table 1: Summary costs, benefits, NPSV and BNPV, England and Wales, £ million, 2023/24.**

<b>Summary</b>	<b>Low</b>	<b>Central</b>	<b>High</b>
Total Costs	0.001	<b>0.006</b>	0.023
Total Benefits	0.3	<b>0.4</b>	1.0
NPSV	0.3	<b>0.4</b>	1.0
BNPV	0.3	<b>0.4</b>	0.9
EANDCB	0	<b>0</b>	0

Source: Home Office own estimates, 2023. Note: economic transfers are not included in the above table.

<sup>19</sup> This includes the TEN fee (£21) and the central estimate for the benefit associated with the saved time giving a TEN (£1.80) which is calculated as the average labour cost for *Publicans or premise owners* (£16.70) multiplied by the total reading time (6.5 minutes) as per benefit 2. This produces an overall cost of £22.80.

## 6. Risks and unintended consequences

### Policy risks

#### Option 1: 'Do nothing'

52. There is a risk that police, EHAs and LAs would not be able to cope with the number of TENs issued if a large quantity of premises would apply for a TEN in a short period of time. The minimum amount of time to submit a TEN is 10 working days for a standard TEN and only 5 working days for a late TEN<sup>20</sup>. There is a possibility that LAs would not have the capacity to process all of them thoroughly if many came through in short succession, given that they have limited staff to deal with TENs and it is highly unusual for every LA in the country to be dealing with requests concerning the same event.

#### Option 2: Relax licensing hours

53. There is a risk of increased alcohol-related crime and disorder caused by the extension of licensable activities later into the evening accompanied by the removal of the requirement to apply for a TEN which is likely to increase the number of businesses interested in extending hours. For example, in 2019/20, 42 per cent of violent incidents were alcohol related according to the Crime Survey England and Wales<sup>21</sup>.

### Economic and analytical risks

54. There is limited understanding and evidence on the true processing cost for LAs regarding TENs and whether this matches the current TEN fee.
55. There is considerable uncertainty associated with this analysis as there is no centralised data on the use of previous similar measures to inform a robust assumption about the number of premises likely to stay open late following the LHO.
56. Across the economic modelling, low and high estimates have been used to account for potential fluctuations and seasonal variation in the data. Taking a range of estimates in the narration of the rationale considers the uncertainty of these costing.
57. In the rationale there are several assumptions made on the data and modelling approaches. These data sources are footnoted, and assumptions explained for transparency.

## 7. Monitoring and evaluation

58. As this is a temporary change of licensing hours contingent on the performance of England and Scotland's teams at the Euro 2024 tournament, it will not be formally monitored or evaluated, although it is expected that feedback will be gathered from LAs

<sup>20</sup> GOV.UK (2022), *Temporary Events Notice (England and Wales)*. <https://www.gov.uk/temporary-events-notice>

<sup>21</sup> ONS (2020), *Nature of crime: violence*. <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/natureofcrimetablesviolence>

and the police. This will provide further evidence regarding LHOs for future implementation.

### Specific Impact Test Checklist

<b>Mandatory specific impact test - Statutory Equalities Duties</b>	<b>Complete</b>
<p><b>Statutory Equalities Duties</b></p> <p>Due to the limited time the licence extension will be in place and given that it is not changing the way alcohol is sold to the public, no significant impacts on any of the protected characteristics are expected due to direct or indirect discrimination. Given that the policy has no foreseeable impact on who can and cannot purchase alcohol, no impacts on equality of opportunity, nor any impact in relation to encouraging good relationships for those who share and do not share protected characteristics are expected.</p> <p><b>The SRO has agreed these findings.</b></p>	<p><b>YES</b></p>