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HEALTH AND SAFETY COMMISSION

Consultation over proposals to increase Adventure Activities Licence Fees

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Issue

1. Consultation document about fees for adventure activities licences

Timing

2. Routine

Recommendation

3. That the Commission agree the CD be published with four weeks allowed for comment.

Background

4. Full details are in the draft CD – attached. The proposal is to raise the fee from its current level of £620 to £715 from 1 October 2008.

Argument

5. By October 2008 over 4 years will have elapsed since the licence fee was last reviewed. HSE proposes to increase the fee to take account of inflation since June 2004 plus an additional amount to start the move toward full cost recovery.
6. A licence fee of £680 would be required to take account of inflation between June 2004, when it was last changed, and October 2008 when the new fee will come into force. The proposal is to raise the fee to £715, a little above the rate of inflation.
7. A four week consultation period is proposed as the issue is straightforward.
8. HSE intends to carry out a review of the licence fee including consideration of whether a different fee structure would be more appropriate than the current flat-

rate system. Any proposals for changes from October 2009 arising from this review will be the subject of further consultation.

Consultation

9. The draft CD was approved by the HSE Adventure Activities Licensing Authority Board at its meeting on 24 September 2007.
10. PEFD have been consulted and are in agreement with the proposal.
11. Officials at WAG have been consulted because the amending regulation will also have to be signed by the WAG Minister as the legislation is devolved. DCSF officials have also been consulted.

Presentation

12. The CD will be posted on the HSE web-site and those with an interest in it will be informed:
 - those directly affected, the licence holders, will be informed individually of its existence – most by email but the small number for whom we do not have an email address will be notified by post.
 - relevant trade organisations will be informed – by email if possible, otherwise by post
13. It is expected that most, probably all, licence holders will be unhappy over any increase in the fee and some will no doubt comment to this effect. However, prior to HSE becoming the AALA there had only been one fee increase, in 2004 after 8 years of operation, so the industry had become used to a static fee (actually falling in real terms). HSE reviews, and generally raises, its fees annually in line with inflation and had this been done with the AALA fee then the industry would have become accustomed to it and reaction would have been minimal.

Costs and Benefits

14. HSE economist advises that the effect of this modest rise is too small to justify formal assessment.

Financial/Resource Implications for HSE

15. Costs for preparation of the CD and associated work and analysis of comments are estimated at £6000.
16. If the proposal is accepted the additional licence fee will bring in an estimated £50,000pa.

Environmental Implications

17. None

Other Implications

18. None

Action

19. The Commission is asked to agree to the consultation.