

Health and Safety Executive Board		Paper No: HSE/08/15	
Meeting Date:	28 th May 2008	FOI Status:	Fully Open
Type of paper:	Below the line	Exemptions:	None
Trim reference:			
Adventure Activities Licensing Authority Licence fee – Amending Regulations			

The Purpose of this Paper

1. To seek the HSE Board's agreement to the proposed amendment to the Adventure Activities Licensing Regulations which increases the licence fee from £620 to £715. Should the Board agree the proposed change Ministers (in Westminster and Cardiff) will be asked to sign the amending regulations (copy attached at annex A).

Background

2. In January of this year the HSC approved the publication of a consultation document proposing a rise in the Adventure Activities Licence fee from £620 to £715 (ref paper HSC/08/06). This rise was to reflect the effect of inflation since the last increase in June 2004 and to begin to move to full cost recovery. Currently, the fees do not cover the full costs of the Adventure Activities Licensing Service (AALS) and grant-in-aid, channelled via DWP, meets the shortfall.

3. The Consultation Document was made available on the HSE website. It was not available in printed form but all licensees, for whom addresses were available, were made aware of the document and how to access it. The AALS were able to provide HSE with either email or postal addresses for 986 out of 1127 licence holders. In addition, the Adventure Activities Industry Advisory Committee (not an HSC committee) was informed of the consultation, and asked to notify all its members.

4. Despite the broad coverage of the consultation only 28 responses were received. 2 were in favour of the rise, 11 opposed and the remaining 15 made comments about the licensing system itself.

5. As the regulations are devolved to Wales, officials at Welsh Assembly Government have also been involved at all stages. The regulations are not devolved to Scotland but officials at the Scottish Executive have been kept informed.

Argument

6. The response rate to the consultation was low and there were only 11 objections. As anticipated, these objections were on grounds of cost. As this rise was not going to be popular with industry, the small number of objections does not suggest substantial difficulty with the proposal.

7. AALS' accounts for the year ending 31 March 2008 have yet to be finalised but it is anticipated that the cost to grant-in-aid for the year will be approx £320k. The projection for 2008/2009 is that the figure will be about the

same – the higher fee from 1 October will be balanced by the fact that fewer licences are due for renewal next year than this. The financial impact should, therefore, be cost neutral in the short-term. In the longer term it is anticipated that the rise will lead to a reduction in demand on grant-in-aid. There is the possibility that the higher fee will mean that some providers withdraw from activities subject to licensing. It is not possible to predict this, although the low number of objections to this rise would indicate that this is not likely to any great degree at present.

8. EAU advised that the cost of this amendment was too small to justify quantifying.

Action

9. **HSE Board action:** The Board is invited to recommend the increased fee to the relevant Ministers at Westminster and Cardiff .

10. **HSE action:** A number of the responses argued that the size of the fee should reflect the size and/or complexity of the organisation to be licensed. This would mean that small providers would pay less than large ones. However, there is currently an element of proportionality in the system. A licence can last for 1, 2 or 3 years and in general small operators get 3 year licences and large ones a 1 year licence. Nonetheless, this is an issue we will look at carefully in a detailed review of the licensing scheme. This review is planned for later this year.

Paper Clearance

11. This paper was produced by Peter Sargent and cleared by Giles Denham and the Senior Management Team at their meeting on 7 May 2008.

*Draft Order laid before Parliament under section *** of the *** Act ***, for approval by resolution of each House of Parliament.*

STATUTORY INSTRUMENTS

2008 No.

HEALTH AND SAFETY

Adventure Activities Licensing (Amendment) Regulations 2008

Made - - - - - ***

Laid before Parliament ***

Coming into force - - - - - *1st October 2008*

The Secretary of State, acting in relation to England and Scotland, in exercise of the powers conferred by section 1(4)(f) of the Activity Centres (Young Persons' Safety) Act 1995 ("the 1995 Act")(1), having consulted persons other than the Health and Safety Executive in accordance with section 3(3) of the 1995 Act and pursuant to a proposal submitted by the Health and Safety Executive under section 3(4) of the 1995 Act,

and

the National Assembly for Wales(2), acting in relation to Wales, in exercise of the powers conferred on the Secretary of State by section 1(4)(f) of the 1995 Act and now vested in it, having consulted persons other than the Health and Safety Executive in accordance with section 3(3) of the 1995 Act and pursuant to a proposal submitted by the Health and Safety Executive under section 3(4) of the 1995 Act,

make the following Regulations—

Citation and commencement

1. These Regulations may be cited as the Adventure Activities Licensing (Amendment) Regulations 2008 and shall come into force on 1st October 2008.

Amendment of the Adventure Activities Licensing Regulations 2004

2. In regulation 5 of the Adventure Activities Licensing Regulations 2004(3), for "£620" substitute "£715".

(1) 1995 c. 15.

(2) The functions of the Secretary of State were, in so far as exercisable in relation to Wales, transferred to the National Assembly for Wales by Article 2 of the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672).

(3) S.I. 2004/1309.

Signed by authority of the Secretary of State for Work and Pensions

Date

Bill McKenzie
Parliamentary Under Secretary of State,
Department for Work and Pensions

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998

Date

D Elis-Thomas
The Presiding Officer
National Assembly for Wales

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations amend the Adventure Activities Licensing Regulations 2004 to increase the fee payable on each application for a licence for the provision of facilities for adventure activities or on the renewal of such a licence.