Purpose of the paper
1  To present the annual report of the Adventure Activities Licensing Authority (AALA).

Background
2  HSE has been the AALA since 1 April 2007 but most of the inspection and administration work associated with the licensing scheme is carried out under contract by Tourism Quality Services Ltd (TQS) on HSE’s behalf.

3  TQS is a not-for-profit body. Its activities are funded by the collection of licence fees, with any shortfall in running costs being met by HSE on a monthly basis.

4  The AALA is required by regulation 4 of Adventure Activities Licensing Regulations (AALR) to submit a report to the HSE Board after the end of each financial year. This is the report for the year ending 31 March 2011.

5  Expenditure, at £900k, was slightly below forecast (-1%). HSE’s financial support for the licensing service was £419k.

6  The report covers activities for the year 1 April 2010 to 31 March 2011. HSE is working towards implementation of the Common Sense, Common Safety recommendation to abolish the AALA. This is expected to happen during the second session of Parliament. The current contract with TQS therefore has been extended until 31 March 2013 (with an option of a further six months) in order to ensure that the licensing service can be delivered up until abolition.

Argument
7  Details of the work carried out for HSE by TQS during the year (No of inspections, No of licences issued etc) are given in Annex 1 which is the report submitted to HSE by TQS. A total of 960 inspections were conducted, of which 623 were directly related to licence applications. All except 13 licence applications (including renewals) met the requirements of the AALR. Of these 13, 10 were resolved and 3 providers ultimately had their licence/renewal application revoked/refused. This represents a high level of satisfactory standards in the adventure activities sector.
8 The arrangements continue to work smoothly aided by regular meetings with TQS.

9 Joint visits with TQS inspectors continue to be made from time to time. These help to keep TQS practices and standards comparable to HSE’s.

**Action**

10 The Board is asked to accept the report.

**Paper clearance**

11 This paper was cleared by the Senior Management Team at their meeting on 4 April 2012.