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Dear

PERMANENT PAVEMENT LICENSING REGIME LEVELLING UP AND REGENERATION ACT 2023 COMMENCEMENT

On 31 March 2024, the pavement licensing provisions laid out in the Levelling Up and Regeneration Act 2023, were commenced. The provisions introduce a permanent pavement licensing regime in England to replace the temporary provisions introduced by the Business and Planning Act 2020. This permanent regime retains the key features of the 2020 regime, intended to streamline processing and reduce costs, but also incorporates some changes, outlined below, to ensure the long-term sustainability of the model.

Amendments set out in the LURA 2023

The LURA introduces several new pavement licensing provisions:

Firstly, the fee cap for a pavement licence application is increasing. It will no longer be capped at £100 but instead be capped at £500 for first time applications and £350 for renewal applications, subject to each local authority deciding the level of fee up to the cap. The increase and fee cap intend to balance the interests of businesses and local authorities.

Under the permanent regime, local authorities will now also be able to grant pavement licences for a length of their choosing up to a maximum of two years. As set out in the updated guidance, we encourage local authorities to grant businesses the maximum two years unless there is a good reason to do otherwise.

The 7-day consultation and 7-day determination periods provided under the temporary regime, will be extended to 14 days for each. This change has been made to reflect asks from local authorities to have a reasonable time to process applications; while balancing businesses' need for a quick determination; and the need of members of local communities, particularly those with disabilities, to have a sufficient time to input, in mind.

Finally, the new pavement licensing provisions under the LURA 2023 grants local authorities' new enforcement powers. From the commencement date, local authorities will now, with the consent of the licence-holder, be able to amend the licence in certain circumstances. Local

authorities will also be able to give notice to businesses who have placed furniture on the relevant highway without the required licence. If furniture continues to be placed on the highway, in contravention of the notice, the authority may remove and store the furniture, recover the costs from the business for the removal and storage of the furniture, and refuse to return the furniture until those costs have been paid. If within three months of the notice being served, the costs are not paid, the authority can dispose of the furniture by sale or other means and retain the proceeds.

Additional smaller changes in the guidance

Along with the amendments to the pavement licensing regime under the LURA 2023, we have made several minor changes to the guidance to clarify certain points within it and make it more comprehensive and considerate of the various groups affected by the regime.

We have clarified section 4.1 of the guidance, which sets out what local authorities, when considering the needs of disabled people, should assess when they set conditions, determine applications, and consider whether enforcement action is required. The previous guidance interpretation Inclusive Mobility was misleading, New guidance makes clear that under normal circumstances a width of 2000mm is the minimum that should be provided. In cases where this is not possible, a width of 1500mm could be regarded as the minimum acceptable distance. Though, local authorities should take a proportionate approach when measuring this.

In addition to this change we have also flagged that when considering the no obstruction condition licencing offices should be mindful of the cumulative impact of multiple pavement licences and the potential impact this could have on disabled pavement users.

Following feedback, we have provided more clarity on which types of furniture are permissible under this pavement licensing regime. Licences granted under this provision are exclusively for the use of furniture pertaining to the consumption of food and drinks, for example, tables and chairs. Other furniture, such as advertising boards, are not included. This furniture must be removeable.

<u>Transitional Arrangements</u>

The new pavement licensing provisions came into effect on the commencement date, 31 March 2024. Along with the renewals process introduced under the new regime, there are transitional arrangements in place to ensure the transition from the temporary regime to the permanent one is a smooth one for the entire sector.

Existing licence-holders can retain their licences granted under the temporary regime until the expiration date on their licence. After these existing licences expire, on or after 31 March 2024, businesses can reapply under the renewals process and be charged up to the maximum renewal fee of £350, subject to the local authority deciding the level of fee up to the cap.

Existing licences with no fixed end date will be extended for two years from the commencement date and licences that were deemed to be granted due to the local authority not being able to determine the application on time, will also be extended for two years from the commencement date.

Applications submitted to the local authority on or before 30 March 2024 but determined on or after 31 March 2024 will be subject to some of the arrangements of the temporary regime, namely the 7-day consultation and 7-day determination periods and the up to £100 application fee. However, they will benefit from the new maximum duration of up to two years.

Applications determined before 31 March 2024, will be subject to the new enforcement power under the permanent regime, which grants authorities the power to amend the licence in certain circumstances with the licence-holder's consent.

You can access the updated guidance, which outlines the changes and transitional arrangements, <u>here.</u>

For any queries, do reach out to <u>pavementlicensing@levellingup.gov.uk</u>.