

<b>Title:</b> SGSA Licence Fee Reform Consultation <b>IA No:</b> SGSA01  <b>RPC Reference No:</b> N/A  <b>Lead department or agency:</b> Sports Grounds Safety Authority  <b>Other departments or agencies:</b> Department for Culture, Media and Sport	<b>Impact Assessment (IA)</b>			
	<b>Date:</b> 02/10/2023			
	<b>Stage:</b> Consultation			
	<b>Source of intervention:</b> Domestic			
	<b>Type of measure:</b> Other			
<b>Contact for enquiries:</b> licencefeereform@sasa.org.uk				

<b>Summary: Intervention and Options</b>	<b>RPC Opinion:</b> N/A
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Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
N/A	£13.9m	£1.573m	Non-Qualifying (below de minimis)

**What is the problem under consideration? Why is government action or intervention necessary?**

The Sports Grounds Safety Authority (SGSA) regulates spectator safety at football grounds in England and Wales through its licensing scheme. For over three decades, the cost of this regulation has been met through Grant-In-Aid (GIA), with the grounds licensed by SGSA contributing a nominal fee of £100 annually. This is not consistent with Managing Public Money (MPM) and an independent review of SGSA undertaken on behalf of DCMS in 2022 recommended replacing the £100 fee with a new regime reflecting the full cost of regulation. Government accepted this recommendation in 2023. As legal powers have already been taken by the Secretary of State to set the fee at a level that reimburses the SGSA's costs, this Impact Assessment has been developed to accompany a targeted consultation with the industry on the SGSA's proposed methodology for calculating the fee in future years. The results of the consultation will be provided to Government to inform its decision making regarding the level of the new licence fee.

**What are the policy objectives of the action or intervention and the intended effects?**

To improve compliance with Managing Public Money and, in doing so, reduce the cost to the Exchequer from the regulation of spectator safety at licensed football grounds.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

- Option 0 (do nothing):** Continue reliance on GIA with licence fee remaining at £100. This is not consistent with MPM.
- Option 1:** Replace GIA with income derived through licence. This option would see the introduction of a licence fee reform which requires regulated grounds to cover the cost of SGSA's regulatory activities in addition to other activities which do not directly benefit the grounds being charged. This is not consistent with MPM, as it would not be proper for certain expenditure by SGSA to be attributed to licensed sports grounds.
- Option 2:** A hybrid solution whereby the costs of regulation are met by licensed grounds and other non-regulatory costs that are not directly attributable to licensed grounds are met through GIA.

Option 2 is the preferred option as it achieves the highest level of compliance with MPM.

<b>Will the policy be reviewed?</b> Post-consultation	<b>If applicable, set review date:</b> 1 December 2023			
Is this measure likely to impact on international trade and investment?	No			
Are any of these organisations in scope?	<b>Micro</b> No	<b>Small</b> No	<b>Medium</b> Yes	<b>Large</b> Yes
What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)	<b>Traded:</b> N/A		<b>Non-traded:</b> N/A	

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.*

Signed by the responsible: Martyn Henderson Date: 2 October 2023

# Summary: Analysis & Evidence

# Policy Option 1

## Description:

### FULL ECONOMIC ASSESSMENT

Price Base Year 2019	PV Base Year 2020	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: £13.9

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0.025	N/A	Optional
High	0.1	N/A	Optional
Best Estimate	0.062	£1.573m	£1.672m

#### Description and scale of key monetised costs by 'main affected groups'

- One-off familiarisation costs for 93 licensed grounds, assessed as £0.062m
- Recurring average annual cost to industry for annual licensing of designated sports grounds, assessed as £1.573m (22-23 prices)

#### Other key non-monetised costs by 'main affected groups'

None.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	Nil	£1.573m	£1.573m

#### Description and scale of key monetised benefits by 'main affected groups'

Recurring saving to Exchequer, assessed as £1.573m (22-23). The residual level of GIA to support SGSA's non-regulatory activities will be subject to agreement by DCMS of a separate business case.

#### Other key non-monetised benefits by 'main affected groups'

Spectators at designated football matches continue to enjoy high levels of safety.

Grounds continue to benefit from regulation which helps to protect the commercial value of stadiums, usually core assets for a club.

#### Key assumptions/sensitivities/risks

#### Discount rate (%)

This assessment is based on work undertaken for SGSA by CIPFA in 2022-23. CIPFA is being re-engaged to update this assessment.

The licence fee will be adjusted periodically to reflect SGSA's cost base. CIPFA will support further work to assess how these costs are likely to increase in future years, informed by consultation with industry.

### BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: £1.573m	Benefits: Nil	Net: £1.573m	Nil (Non-Qualifying)

## Evidence Base

The Sports Grounds Safety Authority (SGSA) regulates spectator safety at football grounds in England and Wales through its licensing scheme. For over three decades, the cost of this regulation has been met through Grant-In-Aid (GIA), with the grounds licensed by SGSA contributing a nominal fee of £100 annually. This is not consistent with Managing Public Money (MPM) and an independent review of SGSA undertaken on behalf of DCMS in 2022 recommended replacing the £100 fee with a new regime reflecting the full cost of regulation. Government accepted this recommendation in 2023.

As legal powers have already been taken by the Secretary of State to set the fee at a level that reimburses the SGSA's costs, this Impact Assessment has been developed to accompany a targeted consultation with the industry on the SGSA's proposed methodology for calculating the fee in future years. The results of the consultation will be provided to Government to inform its decision making regarding the level of the new licence fee.

## Background

The Sports Grounds Safety Authority (SGSA) was established, initially as the Football Licensing Authority (FLA), in 1990 under the Football Spectators Act 1989 (the 1989 Act), following the Hillsborough Stadium tragedy and subsequent inquiry led by Lord Justice Taylor. Its mandate was, and continues to be, to improve spectator safety at league and international football grounds in England and Wales.

The 1989 Act<sup>1</sup> introduced a requirement for a licence to admit spectators for grounds where designated football matches<sup>2</sup> are played – that is any competitive men's football match played at a Premier League or English Football League (EFL) football ground, Wembley Stadium, or the Principality Stadium. The 1989 Act also introduced an associated licence fee to be determined by the Secretary of State, which may be set at a level which reimburses the costs of the Authority.

When the licensing system was established in advance of the 1993/94 season, a nominal £100 fee was charged for the licence with the expectation set by the then Secretary of State that this would rise in time. SGSA does not keep the receipts from licences issued in order to offset its expenditure; instead, they are remitted to HM Treasury via SGSA's sponsor department, the Department for Culture Media and Sport (DCMS), as Consolidated Fund Extra Receipts. The operating costs of the FLA/SGSA were therefore met by public money via Grant-In-Aid to the Authority and this remains the case to the present day.

### Problem under consideration and rationale for intervention

For over three decades, the cost of this regulation has been met by the taxpayer. During this time, football has become a very wealthy industry ([£5.7 billion in 2020/21](#)), while the regulatory function provided by SGSA has helped to ensure a positive spectator experience in licensed football grounds across England and Wales. Most recently, the SGSA has led the introduction of licensed 'safe' standing on behalf of the Government, which addressed the safety risks related to persistent standing in seated areas and, where strict criteria are being met, allows spectators the choice to stand.

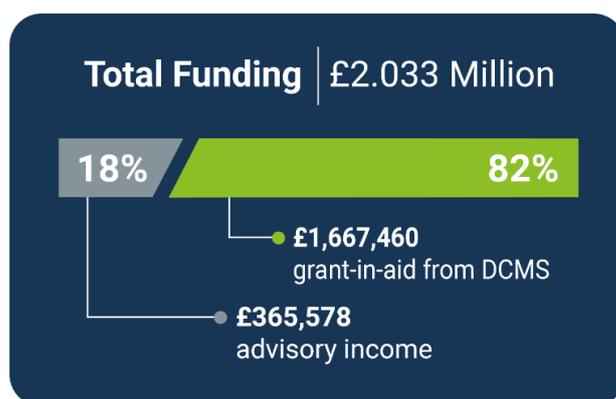
Because SGSA, unlike most other regulators, is not fully funded by the industry it regulates, it relies on Grant-in-Aid (GIA) from its sponsor Department (Department for Culture Media and Sport) to carry out its regulatory functions. The reliance on GIA is inconsistent the Government's Managing Public Money principles, which outlines that the cost of regulation should be met by those being regulated, rather than the public.

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<sup>1</sup> Section 10 of the Football Spectators Act 1989

<sup>2</sup> Designated football matches defined in the [Football Spectators \(Designation of Football Matches in England and Wales\) Order 2000](#).

Figure 1



An independent review of the SGSA conducted in 2022 stated that “The funding model underpinning the organisation is inflexible and not fit for purpose, with the licence fee not reflecting the costs of regulation”<sup>3</sup>. It recommended the following:

“The £100 licence fee should be replaced by a flexible system of charging which reflects the full cost of regulation and enables taxpayer funding to be reduced.”

In agreeing with the recommendation to review the SGSA licence fee, the Department for Culture, Media and Sport (DCMS) stated:

“DCMS recognises the existing anomalies in the current funding structure, noting that reform would enable the SGSA to increase its income, reduce reliance on public funding and allow revenue flexibility. We will work closely with the SGSA to consider the implications and practicalities of amending their existing funding model and we will explore options to enact any changes.”

The Government has accepted the recommendation set out above, and invited SGSA to undertake a consultation to inform its considerations.

Accordingly, SGSA is conducting a consultation with industry in relation to a reform of the SGSA licence fee. The consultation aims to gather the views of grounds subject to SGSA’s licensing. The findings of the consultation will then be reported to Government to inform a decision in the change to the SGSA licence fee.

This IA is intended to accompany this consultation and will be revisited once the consultation closes and responses have been analysed.

### Description of options considered

This impact assessment (IA) considers three options to address the issues set out above.

- **Option 0 (do nothing)** – Continued reliance on GIA with licence fee remaining at £100. This does not meet any of the success criteria (see below). This option does not follow through with the recommendations set out in the independent review of SGSA and does not improve consistency with HM Treasury Managing Public Money and better regulation principles.
- **Option 1**– Replace GIA with income derived through licence. This option would see the introduction of a licence fee reform which requires regulated grounds to cover the cost of SGSA’s regulatory activities in addition to other activities which do not directly benefit the grounds being charged. This option is not consistent with Managing Public Money, as it would not be proper for some significant costs to be attributed to licensed sports grounds.

<sup>3</sup> Sports Grounds Safety Authority independent review: <https://www.gov.uk/government/publications/review-of-the-sports-grounds-safety-authority/sports-grounds-safety-authority-independent-review>

- **Option 2 – Licence Fee Reform based on cost of regulation -A hybrid solution** with i) majority of funding through fee income, ii) supplemented by GIA for SGSA activities non directly attributable to licensed grounds, in addition to iii) income from advisory services funded by clients. This approach aligns the licence fee to Better Regulation/MPM principles while also recognising the unique contribution SGSA makes to wider Government objectives for sport and the live events economy. Option 2 is the **preferred** option due being the fairest and most proportionate method of reform that also addresses the issues and risks associated with the existing model.

By choosing option 2, Government has decided to act on the recommendation to reform the existing licence fee, SGSA is therefore carrying out a consultation to gather views and feedback on the different methods to apportion the cost of the new licence fee amongst the licensed grounds.

## Policy objective

Via consultation, SGSA is seeking thoughts and feedback from the regulated industry as to their views on the options for apportioning the reformed license fee. A full analysis of the consultation findings will then inform any intervention from Government in regard to licence fee reform.

Notably, as a result of this intervention, the method of charging the licence fee to each individual ground would change, from currently the flat fee model, where each ground pays a £100 nominal fee whereas this reform would see the new licence fee costs being apportioned to the individual grounds using a model that considers the following principles of licence fee reform:

- fair
- transparent
- salient
- affordable
- not administratively burdensome on either the industry or the SGSA itself

The implementation of a reformed licence fee that offsets the above stated issues pertaining to SGSA, via a model that meets the principles listed above would be the desired effect of the government intervention stemming from consultation.

## Methodology

In calculating the cost of regulation, the SGSA commissioned the Chartered Institute of Public Finance and Accountability (CIPFA) to conduct an independent evaluation. The purpose of this was to assist in creating a robust, proportionate and transparent funding model that reflects the full cost of regulation. A summary of CIPFA's evaluation has been published alongside the SGSA's consultation and may be found here.

## Proposals and Implementation

To ensure that the policy objectives are met, the reformed licence fee model should reflect the principles listed above. The consultation aims to ascertain the views of the regulated industry, to capture their understanding, feedback and thoughts on the different methods of licence fee apportionment, based on the principles set out by SGSA.

The models put forwards can be separated into three categories.

1. Rejected. Options in this category were considered based on the findings from the consultancy work done by CIPFA. The models in this category do not align with the principles for implementing the reform, therefore options are presented to the consulted audience to ensure full transparency, rather than for consideration to implement.
  - a. Flat Fee: *This option proposes distributing regulatory costs equally among the 93 licensed SGSA grounds, resembling the existing 30-year-old model, but it lacks fairness in reflecting individual support levels and doesn't account for financial disparities in the football industry.*

- b. *Club Turnover: This option proposes setting fees according to each club's gross turnover, which would primarily impact high-earning clubs, but it may lead to significant year-to-year fee variations, complicating financial planning and diverging from the primary focus on spectator safety and SGSA's regulatory work.*
  - c. *Regulatory Effort: This model suggests calculating fees based on the time and effort required for SGSA's regulatory activities but it could be administratively burdensome for SGSA, create unpredictable fee fluctuations, potentially penalise grounds in need of support, and discourage collaboration to improve safety standards.*
- 2. Considered.** Options in this category consist of models that go further than the rejected models to encapsulate the principles of licence fee reform. These models are presented to the consulted audience with a narrative of being feasible, but not the preferred approach for SGSA.
- a. *Attendance (actual/ banded): This option suggests determining fees based on the average attendance at SGSA licensed grounds during the previous season, which is simple to manage and reflects regulatory efforts related to spectator safety, but it doesn't consider year-to-year attendance changes due to factors like promotion or high-capacity fixtures and can be complicated by inconsistencies in reported attendance figures.*
  - b. *League/Division: This option proposes setting fees based on the league and division in which the host club competes, with higher fees for Premier League clubs and reduced fees for lower leagues, which is industry-understood and likely affordable but involves arbitrary distinctions, potential unfair cross-subsidization, and complexity related to fees due to promotion/relegation.*
- 3. Preferred option.** This option informs the consulted audience of SGSA's preferred model of apportionment, based on covering the principles of licence fee reform to a greater extent than the models listed above.
- a. *Capacity: The SGSA's preferred option for calculating the level of licence fee payable by each licensed ground is to use the ground's safe capacity figure, as recorded within the ground's General Safety Certificate. This model allows for a simple apportionment of the cost of SGSA regulation, based on capacity which will usually remain consistent for a ground from one season to the next except where grounds are significantly re-developed or football clubs move to a new ground, which is relatively rare. Furthermore, the SGSA believes the 'safe capacity' of a ground is the most relevant factor to the issue regulated by the SGSA, which is the admission of spectators. This method also leads to fair outcomes, with larger grounds usually generating greater revenue, though the SGSA recognises that this will not always be the case. Finally, the safe capacity of a ground is transparent, unambiguous and simple to ascertain.*

The SGSA has developed the following formula to identify the cost per spectator space (whether seated, licensed 'safe' standing or terracing accommodation):

*Identified total cost of regulation ÷ Total capacity of SGSA licensed grounds = Cost of regulation per space.*

By using this formula, SGSA is being transparent about why each individual ground would pay the fee being charged to them, SGSA is being proportionate about the cost of regulation, ensuring the individual ground fee is consistent and draws from the methodology set out to determine the total cost of regulation. Illustrative examples of the formula and the banding of grounds are presented to the consultative audience, so that grounds have a chance to understand what the preferred approach would look like for them, and to feedback any concerns and feedback, prior to government implementation.

## **Implementation Plan**

SGSA has made clear that implementation of fee change will be an action and decision for Government to carry out. To amend the licence fee, no change in legislation is required as the SGSA already has the power to issue a licence fee under the 1989 Act. However, any change to the amount of fee is a decision for the Secretary of State.

Depending on Government's decision, the change is intended to be finalised by January 2024, which would allow for the reform to come into effect in time for the next licensing period- February 2024, meaning the intervention would have immediate remedial effect on the policy issues and objectives driving this change.

The plan for this process has been considered by SGSA, and has been communicated with the industry, via the consultation, as well as other forms of stakeholder engagements, thus ensuring that the grounds are well aware of the intended timeline and can financially plan ahead of the change taking place.

The process is transparent, and contingent Government making a decision early in 2024 to allow for SGSA to issue applications to grounds in early 2024, for the 2024/25 licensing period. The implementation timeline is as follows.

- January 2024 – SGSA collates the safe capacities of all grounds from local authorities and identifies the regulatory costs for 2024/25 season.
- February 2024 – Licence application forms issued to all SGSA licensed grounds. The covering letter outlines the ground's individual licence fee for the year based on the SGSA's budgeted costs of regulation for 2024/25, along with a projected fee for the following two years.
- March 2024 – Licence application forms submitted to the SGSA and an invoice for the fee raised for payment.
- April to June 2024 – Licence assessments will be carried out in accordance with the SGSA's existing procedures.
- July 2024 – SGSA licences issued for all clubs to permit entry for spectators from 1 August 2024 to 31 July 2025. If a ground's application is not accompanied by the appropriate fee, no licence will be issued. In such circumstances, the grounds will be committing an offence if spectators are admitted to watch designated football matches.

Via the consultation, SGSA has communicated to grounds that fees charged to grounds only cover the cost of the regulatory activities, which grounds benefit from to ensure the safety of their spectators. Building on this, and as part of a transparent implementation process going beyond the 2024/25 licensing period, the SGSA has reaffirmed that a comprehensive Annual Report will continue to be made publicly available, thus empowering grounds with the ability to verify that the implemented reform will be proportionate to the costs incurred to the SGSA as part of the regulatory activities associated with the 93 SGSA licensed grounds.

Additionally, grounds have been informed via consultation that following implementation of the new licence fee model, the SGSA will conduct a regular review of licence fees to ensure that any charges continue to be fair and proportionate. This is to provide assurance to the regulated industry that the implemented changes are not intended to be finite, but rather it should be reflective of the scope of the policy objectives SGSA is intending to achieve, and to ensure that such standards are maintained, SGSA will monitor the implemented changes to assess the proportionality of the fee's and the impact on grounds, to advise any necessary changes in future.

### **Monetised and non-monetised costs and benefits of each option (including administrative burden)**

#### **Direct costs and benefits to business calculations**

The costs and benefits to business concerns the football industry (92 clubs in the Premier League and EFL + Wembley Stadium = 93) being charged an annual fee to admit spectators into their grounds to view designated football matches.

Costs can be broken down into categories:

Regulatory costs

Direct costs to business will be based on the cost of regulation. Based on 2022/23 calculations £1.573m (see figure 1) would be the recurring cost to business.

The following is a proposal of the individual cost to individual businesses (grounds), based on the preferred approach using ‘Capacity’ to apportion the cost of regulation:

Table 1: Banded illustration 2022/23

Band	Ground capacity	Number of grounds in band	Total capacity in band	Regulatory cost per band	Cost per ground
1	0-8,999	16	102,854	£74,569	£4,661
2	9,000-14,999	18	187,789	£136,147	£7,564
3	15,000 to 24,999	21	407,145	£295,180	£14,056
4	25,000-34,999	24	715,026	£518,394	£21,600
5	35,000-59,999	9	408,553	£296,201	£32,911
6	60,000+	5	Fee based on the ground’s actual capacity		

Familiarisation costs

SGSA considers the additional costs to clubs arising from the licence fee reform will be for key staff at each of the 93 grounds subject to SGSA licensing (principally the Finance Director/Club Secretary and the Safety Officer) to familiarise themselves with these proposals.

The following assumptions were made when calculating the cost of familiarisation:

All salaries are estimations and include on-costs such as employers NI and pension costs

- a. Each ground would require 0.5-1.0 working day of 1x Finance Director/Club Secretary’s time + 0.5-1.0 working day x Safety Officer’s time.
- b. Premier League/International ground Finance Director/Club Secretary day rate = £461-£1,154 (based on average salary of £120,000-£300,000 per annum ÷ 260 working days per annum)
- c. EFL ground Finance Director/Club Secretary day rate = £323-£692 (based on average salary of £84,000-£180,000 per annum ÷ 260 working days per annum)
- d. Safety Officer day rate = £185-£277 (based on average salary of £48,000-£72,000 per annum ÷ 260 working days per annum)

Table 2: Estimated Familiarisation Costs

League	Number of Grounds	Average familiarisation cost per ground	Total familiarisation cost for league
Premier League + Wembley	21	£323-£1,431	£6,783-£30,051
Championship	24	£254-£969	£6,096-£23,256
League One	24	£254-£969	£6,096-£23,256
League Two	24	£254-£969	£6,096-£23,256
<b>Total</b>	<b>93</b>		<b>£25,071-£99,819</b>

Total familiarisation costs for the industry= £25,071-£99,819

**Best (mid-range) estimate=£62,445**

### Enforcement activity costs

As has been the case for the past 30 years, if a ground's application is not accompanied by the appropriate fee, no licence will be issued. In such circumstances, the grounds will be committing an offence if spectators are admitted to watch designated football matches.

The licence fee reform will not introduce any new enforcement powers for the SGSA.

There is no direct monetary penalisation charge for not paying the annual licence fee. Enforcement activity will be refusal of a licence to admit spectators to the ground until the licence fee is paid. If grounds cannot admit spectators, then they cannot generate value associated with having spectators in the ground on matchdays. This figure would vary based on the ground.

### **Benefits – non-monetised**

Relieving the burden on general public. Spectators at designated football matches continue to enjoy high levels of safety.

Good safety is also good for football as a business. Grounds continue to benefit from regulation which helps to protect the commercial value of stadiums, usually core assets for a club. Failure to maintain stadia can lead to spiralling costs for clubs and/or reductions in capacity that affect revenues, as well as negatively impacting the reputation of individual grounds and football in England and Wales as a whole.

### **Risks and assumptions**

The key risks are as follows:

- I. **SGSA does not secure approval for this change.** The key mitigation is our investment in the business case, including consultancy provided by the Chartered Institute for Public Finance and Accountancy, which is associated with this reform.
- II. **The change is not supported by the industry, affecting SGSA's position as a trusted partner in ensuring safe environments for spectators.** The key mitigation for this risk is in the approach to consulting the industry. There is recognition within the industry that the £100 fee is anomalous and a recent review of SGSA found there was general support for an increase in the fee.
- III. **The change is poorly administered by SGSA, resulting in reputational damage. This will be addressed in the management case.** SGSA has a strong track-record of delivering change projects successfully; for example, the development and successful implementation of Government's manifesto commitment to introduce licensed 'safe' standing.
- IV. **The new fee system is subject to a challenge, which delays or over-turns implementation.** In order to mitigate the risk of potential legal challenges, it is important that the determination of the licence fee by the Secretary of State occurs in a transparent manner, having followed a fair process with appropriate consultation and taking into account all the relevant considerations and evidence. In the event of an unsuccessful legal challenge that nevertheless delays implementation, the likely impact would be to defer the benefits of the new approach by one year
- V. **Having established the new licence fee regime, individual or groups of clubs refuse to pay the increased fee.** Receiving a licence will be dependent on payment of the licence fee. Without a licence to admit spectators, grounds would only be able hold league, international or cup fixtures 'behind closed doors' with the resulting loss of ticket income. The residual risk for the SGSA would be the administrative effort involved in chasing up late payers, which is expected to be limited.

## **Monitoring and Evaluation**

### Consultation

Initial monitoring will consist of analysing consultation responses. All results and commentary generated via the consultation will be evaluated as part of informing Government prior to their decision to implement changes to the licence fee.

### Critical Success Criteria

The monitoring of whether the original objectives have been met or not are dependent on if the critical success criteria have been met.

The critical success criteria for this change are as follows:

- The income derived through the licence fee must cover the full cost of regulation; and
- The income derived through GIA must cover SGSA's additional costs associated with wider Government objectives, which may vary year-on-year.
- The change must improve compliance with Better Regulation and MPM principles.
- In addition, the change must not impact on SGSA's ability to discharge its statutory function to issue annual licences to 93 league and international football grounds to permit spectators to watch designated football matches.

### Monitoring the key benefits for the SGSA

Improved compliance with MPM. No monitoring is required for this immediate benefit.

### Evaluation

SGSA has a learning culture and applies the continuous improvement principle to its annual licensing round which, if a new fee regime is put in place for the 2024/5 season will include a lessons-learned exercise in relation to implementation.

Following implementation of the new licence fee model, the SGSA will conduct a regular review of licence fees to ensure that any charges continue to be fair and proportionate. The new fee will be increased from time-to-time to reflect changes to SGSA's costs, with SGSA providing full transparency over its costs via the continued publication of the comprehensive Annual Report, which is publicly available.

Should SGSA's regulatory responsibilities be increased a result of significant industry changes, or by an act government, the SGSA will review and seek to amend the licence fee accordingly to ensure SGSA licensed grounds are continuing to meet their regulatory requirements, whatever they may be at the time.