

## CD286 - Discussion document as part of the review of the Adventure Activities Licensing Authority

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## Consultation by the Health and Safety Executive

The Health and Safety Executive (HSE) consults stakeholders to seek their views on its proposals. HSE may decide to issue a Discussion Document where it considers that such an approach is an appropriate way of exploring and developing policy options. The responses to this discussion document will be considered by HSE before a decision on the policy is made.

### How to respond

A summary of the discussion document and the questionnaire can be found at [www.hse.gov.uk/consult/condocs/cd286.htm](http://www.hse.gov.uk/consult/condocs/cd286.htm). You are welcome to comment on any issue raised by this document.

You can:

- Complete the online questionnaire;
- Respond by email to [sarah.martindale@hse.gov.uk](mailto:sarah.martindale@hse.gov.uk)
- Respond on paper – you can do this either by:
  - Printing the online questionnaire; or
  - Making a written response in whatever format you wish.

Send your completed response to:

The AALA Review Team (c/o Sarah Martindale)  
Health and Safety Executive  
3.2 Redgrave Court  
Merton Rd  
Bootle  
Merseyside  
L20 7HS

To reach there no later than **9 March 2018**

HSE tries to make its consultation procedure as thorough and open as possible.

Information provided in response to this discussion document, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004 (EIR)). Statutory Codes of Practice under the FOIA and EIR also deal with confidentiality obligations, among other things.

If you would like us to treat any of the information you provide, including personal information, as confidential, please explain your reasons for this in your response. If we receive a request under FOIA or EIR for the information you have provided, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will be disregarded for these purposes.

Requests for confidentiality should be made explicit within the body of the response.

HSE will process all personal data in accordance with the DPA. This means that personal data will not normally be disclosed to third parties and any such disclosures will only be made in accordance with the Act.

If you have any comments or complaints about the way this consultation has been conducted, please contact Susan Robinson at [susan.robinson@hse.gov.uk](mailto:susan.robinson@hse.gov.uk). We aim to reply to all complaints within 10 working days

If you require a more accessible format of this discussion documents please send details to: [creative@hse.gov.uk](mailto:creative@hse.gov.uk) and your request will be considered.

### **What happens next?**

We will acknowledge all responses and consider the substance of arguments in the proposals; we may contact you again if, for example, we have a query in respect of your response.

HSE is committed to best practice in consultation and to the Government's Consultation Principles. The Government is improving the way it consults by adopting a more proportionate and targeted approach, so that the type and scale of engagement is proportional to the potential impacts of the proposal. The emphasis is on understanding the effects of a proposal and focusing on real engagement with key groups rather than following a set process.

Additional guidance can be found at [www.gov.uk/government/publications/consultation-principles-guidance](http://www.gov.uk/government/publications/consultation-principles-guidance)

### **Queries and complaints**

If you have any complaints about the process (as opposed to the issues which are the subject of the Discussion Document) please address them to:

Susan Robinson  
HSE Consultation Coordinator  
Health and Safety Executive  
5.S3 Redgrave Court  
Merton Road  
Bootle  
Merseyside  
L20 7HS  
email: [susan.robinson@hse.gov.uk](mailto:susan.robinson@hse.gov.uk)

We aim to reply to all complaints within 10 working days. If you are not satisfied with the outcome, you can raise the matter with the Information Commissioner's Office at Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF or HSE's Chief Executive, Dr Richard Judge at Health and Safety Executive, Redgrave Court, Merton Road, Bootle, Merseyside L20 7HS. You can also write and ask your MP to take up your case with us or with Ministers. Your MP may also ask the independent

Parliamentary Commissioner for Administration (the Ombudsman) to review your complaint.

## **Purpose of this discussion document**

The Health and Safety Executive (HSE) is reviewing the delivery and scope of the Adventure Activities Licensing Authority (AALA) on behalf of Department for Work and Pensions (DWP). The scope of the review aims to ensure that the provision of licencing of adventure activities is delivered in a sensible, proportionate and cost-effective manner, and encourages the participation by young people in adventure activities.

This Discussion Document seeks views on:

- the questions within the document;
- the three options under consideration for the future of AALA;
- the initial assessment of the costs and benefits of the proposed changes as set out in the Impact Assessment;

The feedback will inform the HSE Board's decision on the future of AALA.

The questions appear in the relevant sections and a full list of the questions is at Annex 1.

## **Application to Northern Ireland, Wales and Scotland**

Adventure Activities Licensing is not applicable to Northern Ireland, but we are interested in responses from Northern Ireland to the proposed options. Licensing currently applies across Scotland, England and Wales however it is a devolved matter in Wales and Scotland. Survey responses should indicate which of the home nations you are based in so that relevant information about the responses can be provided to each of the devolved governments.

## Background

1. The Adventure Activities Licensing Authority (AALA) was established through the Activity Centres (Young Persons' Safety) Act 1995. It came into existence in April 1996 following the death of four young people during a kayaking activity in Lyme Bay in 1993. The Adventure Activities Licensing Regulations 2004 (AALR), made under the 1995 Act, set out in detail who is required to hold a licence and what they must do to obtain one. AALA is sponsored by the Department for Work and Pensions. The HSE is currently designated as the AALA. Inspections under the scheme are carried out by the Adventure Activities Licensing Service (AALS). HSE have designated a contractor, Tourism Quality Management Services Ltd (TQS) as the AALS.
2. The main piece of legislation that governs health and safety at work in Great Britain is the Health and Safety at Work etc. Act 1974. The Act applies to delivery of adventure activities. and is enforced by the HSE and Local Authorities. They may, as they see fit, inspect providers and investigate complaints and injury incidents that occur during adventure activities in line with HSE's Incident Selection Criteria. (See: <http://www.hse.gov.uk/enforce/when-how-investigate.htm>).
3. Adventure Activities Licensing legislation is entirely separate from and additional to health and safety at work law, but the criteria by which adventure activities providers are assessed is the same as that required under health and safety at work law. Offences under the AALR relate to operating without a licence and misleading the licensing authority. Matters directly related to safety are covered by health and safety law. AALS inspectors are not enforcement officers. No criminal proceedings under the licensing legislation have been instituted since its inception however some licensed operators have been subject to enforcement action by HSE and Local Authorities under health and safety at work law during this time.
4. The aim of adventure activities licensing was to provide assurance to the public about the safety of those activity providers who have been granted a licence. In this way it was expected that young people would be able to enjoy exciting and stimulating activities outdoors without being exposed to avoidable risks of death or disabling injury.
5. A licence indicates that the provider has been inspected by the AALS on behalf of the AALA. The provider's safety management systems for young people is reviewed and the provider has to demonstrate compliance with nationally accepted standards of good practice in the delivery of adventure activities to young people, with due regard to the benefits and risks of taking part in the activity.
6. The Adventure Activities Licensing scheme covers young people under the age of 18 and applies to paid provision of four categories of adventure activities: caving, climbing, some water-sports and some trekking. It does not cover activities provided by schools to their own pupils where the Health and Safety at Work etc. 1974 Act still applies. Nor does it apply to activities provided by voluntary associations to their own members, or young people accompanied by their parents or legal guardians.

## **Why is the Adventure Activities Licensing Authority being reviewed?**

7. In 2010, Lord Young's report 'Common Sense, Common Safety' was published. The report looked at the operation of health and safety laws and the growth of the compensation culture in Great Britain, recommended that the AALA be abolished. The report stated that the licensing regime was a cost and burden on business that added little to the health and safety of young people undertaking adventure activities. It added that the HSE believed that effective enforcement of the requirements of the Health and Safety at Work etc Act 1974 and the Management of Health and Safety at Work Regulations 1999 was sufficient. It went on to point out that the licensing regime was narrowly focused on a limited number of outdoor activities and did not reflect the wide range of adventure activities now available.
8. Lord Young believed that the running costs of the scheme; circa £750,000 and the cost of a licence of £715 seemed to be a disincentive to new entrants to the adventure activity market, especially to small companies.
9. The report recommended that with abolition of the scheme, a code of practice be introduced, overseen and monitored by HSE. He also stated that removal of licensing would allow businesses to make financial savings and focus on management of the whole range of available activities. In addition, there would be savings associated with the dismantling of the licensing regime.
10. A consultation was carried out, but, Lord Young's recommendation was not implemented as Ministers decided at the time that there was still a place for a licensing scheme. It was felt that the scheme should be taken out of HSE control, but in autumn 2016 after a period of uncertainty it was agreed by Government that AALA should remain with HSE, due to the complex nature of the legislation. It was agreed that the service should be reviewed to ensure it was fit for purpose going forward.

## **Review Stage 1 - Informal consultation with stakeholders**

11. In February 2017 an informal consultation exercise with stakeholders began. It took the form of face to face meetings with key stakeholders and an online survey. The result of those discussions and the feedback from the survey indicated that there were areas where the system could be improved.
12. The key findings from the survey indicated that respondents;
  - a. like the assurance they get from AALA, that it has the support of HSE and is not run for profit
  - b. think the age criteria is appropriate i.e. dealing with young people only
  - c. think the fee structure is unfair as it is too inflexible for a range of businesses
  - d. want more activities to be covered by the licensing requirements e.g. some currently exempt under the regulations
  - e. want more types of business to be licensed e.g. schools, voluntary organisations

- f. do not want the fee to be increased
- g. think the maximum licence duration of 3 years should remain
- h. want a scheme that includes Northern Ireland
- i. want broader inspections e.g. covering quality of education and safeguarding

13. HSE has carefully considered the submissions from the stage 1 survey and concluded that some of the aspirations expressed by respondents, **cannot** be met within the existing regulatory framework, or would potentially have adverse unintended consequences for service provision and access to adventure activities, for example:

- i) HSE has considered extending the reach of licensing so that other businesses, currently exempt, are included. options to do so are limited to voluntary organisations; schools providing activities to their own pupils and businesses offering activities to children who are accompanied by a parent or guardian. These options were rejected because:
  - a. the financial burden on schools, local authorities and voluntary organisations would create a real risk that service would be cut, reducing provision of adventure activities for young people, which is contrary to the purpose of the review.
  - b. the inspectorate would not be able to cope with the demand that such a change would create
- ii) It is not viable to retain the current fee. The service receives financial support from government of £400,000 per annum. This money was originally intended to help the service get off the ground and should have been decreased over time. However, the level of income accrued from licensing has never allowed that to happen. Even with this financial support, the licensing service is, in 2017, struggling to meet its costs due to inflation as the licence fee has not kept up with. For this reason, it is likely that, regardless of the outcome of the consultation, licence fees will have to be increased at least in line with inflation.
- iii) Extending the scope of AALA to include Northern Ireland is currently not possible because AALR is not applicable in Northern Ireland.
- iv) Broadening the scope of inspections to include checks on child safeguarding, transport and quality of learning is not possible as these issues fall outside the scope of Adventure Activities legislation and the HSE's remit.

14. During consideration of the submissions and aspirations of survey respondents HSE was contacted by a group of representatives from the adventure activities sector who proposed to develop an industry owned and administered scheme as an alternative to AALA. The HSE Board met in May 2017 and agreed that the group, known as the UK Adventure Industry Group (UKAIG), should be given time to develop a formal proposal. The Board agreed that, providing the proposal

met certain criteria, it would be presented as part of a formal consultation process along with HSE's own proposals.

15. The criteria were that the scheme should;

- a. Be underpinned by the requirements of the Health and Safety Work etc. Act 1974
- b. Meet the aspirations of stakeholders and have broad support
- c. Maintain current standards
- d. Provide sufficient levels of reassurance to parents and teachers
- e. Reduce the administrative burden on business
- f. Provide better value for money for the public purse
- g. Allow mutual recognition across other comparable existing national governing body schemes
- h. Be recognised and branded as the industry standard
- i. Reach across UK borders to include Northern Ireland

16. The draft industry proposal submitted to HSE has the potential to meet the above criteria, although some aspects are dependent on the practical operation of the scheme once in place and the response to it. HSE is however satisfied that it meets enough of the criteria to be presented in this consultation.

## **Introductory questions**

### **Are you a user or a provider of adventure activities?**

- User
- Provider
- Neither (please specify)

### **In what capacity are you responding to this consultation?**

- Individual
- Organisation (please specify)

### **How many people are employed within your organisation (across all sites)?**

- 0
- 1-4
- 5-9
- 10-19
- 20-49
- 50-99
- 100-249
- 250+
- N/A

### **Where is your organisation primarily based?**

- England
- Scotland
- Wales
- Northern Ireland

### **Do you have a licence? Is it a 1, 2 or 3-year licence?**

- N/A
- 1 year
- 2 years
- 3 years

### **What activities do you provide that are currently in scope of AALA:**

- Caving
- Climbing
- Water-sports
- Trekking
- N/A

### **Approximately how many man-hours did it take to fill in your first application for a licence?**

- Less than a day
- Around a day
- Between 1 and 2 days
- Around 2 days
- More than 2 days (please specify)

### **How many man-hours does it take to deal with an inspection? Please consider any time you spend before, during and after the inspection. Please do not**

**count the duration of the inspection where it does not interfere with your normal business.**

- Less than one hour
- Between one and two hours
- More than two but less than four hours
- More than four but less than six hours
- Six hours or more (please specify)

**Do you currently have a membership for a voluntary accreditation scheme for adventure activities?**

- Yes/No
- If yes please list here [text box]

## **The options**

17. HSE is now presenting three options for the future of adventure activity regulation in GB, based on the findings of Stage 1 of the process and representations from industry groups. In each case we have set out the extent to which the options meet the aspirations of responders to the initial survey and engagement. You are asked to consider the three options carefully and answer the questions and give your views on the options.

18. Once responses have been collected and analysed HSE will decide on the way forward. Further discussion and consultation on the chosen option will take place as it is developed. Responses from the Devolved Nations will be considered in their own right and as part of the wider picture across Great Britain.

### **Option 1 - Retain the AALR regulations and current licensing scheme underpinned by the Health and Safety at Work etc. Act 1974, and increase fees**

19. This option maintains the service exactly as it is. There would be no changes to the current legislation other than an increase in fees necessary to maintain the viability of the licencing service.

20. In the first instance the intention is to increase the fee in a phased way in line with inflation to approximately £920 (or equivalent if using an alternative method of calculating the fees, i.e. £920 average). Further increases would then be required over time to ensure the service can sustain itself as originally intended. The licence would cost roughly the equivalent of £1500 at today's figures adjusted for inflation. This would be achieved over a transition period with a phased increase of fees over say 10 years.

### **Aspirations of phase 1 consultation met**

- provides assurance to users that providers have robust health and safety management systems are in place
- retains the maximum licence duration
- maintains the current age criteria
- could allow for an alternative method of calculating the fees, e.g. the method of calculating the fee could be returned to the original format where there was a charge for the licence itself plus an administration fee and a charge per hour for inspection.

### **Aspirations of phase 1 consultation NOT met**

- does not broaden of the scope of the scheme to other activities and providers
- does not extend the reach of the scheme

- does not address the desire to keep the fee at the current rate
- does not allow for a broadening of the inspection to include issues such as quality of education provision, safeguarding and transport safety
- does not allow for a cross border approach, which includes Northern Ireland

## Questions

### Would Option 1 be acceptable to you?

- Yes/No
- Why or why not? [free text box]

### Do you agree with a proposal to return to the original method of calculating fees where there was a charge for the licence itself, plus an administration fee and a charge per hour for inspection?

- Yes/No
- Why or why not? [free text box]

### If the fee rose from £715 to £1500 over a period of say ten years would you continue to provide activities in scope of AALA?

- Yes/No
- Why or why not? [Free text box]

### Option 2 Retain the AALR regulations and current licensing scheme underpinned by the Health and Safety at Work etc Act 1974, and increase fees and extend the activities in-scope

21. This option would increase the fees as described in option 1. It would also extend the scope of activities subject to licensing by adding activities that are currently exempted to the existing four categories of adventure activity set out in Regulation 2 of AALR.

### Aspirations of phase 1 consultation met

- provides assurance to users that providers have robust health and safety management systems are in place
- retains the maximum licence duration
- maintains the current age criteria
- could allow for an alternative method of calculating the fees e.g. the method of calculating the fee could be returned to the original format where there was a charge for the licence itself plus an administration fee and a charge per hour for inspection.
- allow for a broadening of the scope of the scheme to other activities

## **Aspirations of phase 1 consultation NOT met**

- does not extend the reach of the scheme
- does not address the desire to keep the fee at the current rate
- does not allow for a broadening of inspection to include issues such as quality of education provision, safeguarding and transport safety
- does not allow for a cross border approach which includes Northern Ireland

## **More information about option 2**

AALR defines ‘adventure activity’ as meaning caving, climbing, trekking or water sports. In particular:

“**caving**” means the exploration of underground passages (other than those principally used as show-places open to the public) —

- (a) in parts of mines which are no longer worked; or
- (b) in natural caves where the exploration of those passages requires, in order to be carried out safely, the use of rock climbing or diving equipment or the application of special skills or techniques;

“**climbing**” means climbing, traversing, abseiling or scrambling over natural terrain or outdoor man-made structures (other than structures designed for such activities) which requires, in order to be carried out safely, the use of equipment for, or the application of special skills or techniques in, rock climbing or ice climbing;

“**trekking**” means journeying on foot, horse or pedal cycle or skiing over terrain—

- (a) which is moorland or more than 600 metres above sea level; and
  - (b) from which it would take more than 30 minutes travelling time to reach any accessible road or refuge;
- but does not include skiing on a prepared and marked-out ski-run which is patrolled by persons engaged to assist in cases of injury;

“**watersports**” means the use on specified waters of—

- (a) canoes, kayaks or similar craft propelled or steered by paddles held in the hand (but excluding rowing-boats propelled or steered by oars);
- (b) crafts (including those which are inflatable or which are improvised from various materials but excluding those propelled by means of a motor or towed by a motor-boat); or
- (c) sailing boats, windsurfers, sailing dinghies or other craft whose principal means of propulsion is the wind but excluding craft the construction, equipment and use of which is subject to a requirement for a certificate issued pursuant to the Merchant Shipping Act 1995(3) or any regulation or order made thereunder.

Possible changes to the definitions of Adventure Activities in Regulation 2 of AALR to extend activities in scope of AALR could include:

Activity	Description of changes (NB illustrative only)
<b>Caving</b>	<ul style="list-style-type: none"> <li>• no change</li> </ul>
<b>Climbing</b>	<ul style="list-style-type: none"> <li>• by adding structures designed for climbing, such as indoor climbing walls, Jacob’s ladder and high ropes courses etc.</li> </ul>
<b>Trekking</b>	<ul style="list-style-type: none"> <li>• by removing the exemption for skiing on patrolled, prepared marked out ski runs</li> </ul>
<b>Watersports</b>	<ul style="list-style-type: none"> <li>• by removing the exemption for boats propelled or steered by oars as well as those propelled by motor or towed by a motor boat, and</li> <li>• by including an additional category to cover boards (e.g. surfboards, body boards, hydroboards and wakeboards); bodyboats &amp; bugs and water-skis</li> </ul>

An additional change to the water sports category would be to include “swimming in open water”, but this has not been included in the cost model for the illustration above.

Consideration was given to removing the specific categories and replacing them with a generic definition of adventure activities, however this was rejected for the following reasons:

- The survey responses indicated that this was not the preferred option by the majority of respondents, with only 28% selecting this as their first choice, and
- A generic description intended to include all existing licensed activities and those proposed would by necessity be extremely broad. This would risk inadvertently encompassing activities (existing or not yet invented) that ought not to be licensed. Within a legislative context this can create serious problems for business and could potentially decrease provision of activities to young people.

## Questions

### Would option 2 be acceptable to you?

- Yes/No
- Why or why not? [free text]

### Would you be in favour of extending the scope of licencing by removing some of the current exemptions and adding to existing categories?

- Yes/No
- If yes, please explain why [Free text box]
- If not please explain why not. [Free text box]

### **Option 3 Removal of the AALR regulations and move to an industry-led; not-for-profit accreditation scheme underpinned by the Health and Safety at Work etc. Act 1974, to provide assurance to users of outdoor activities**

22. If option 3 is adopted there will be a requirement to the remove statutory licensing in its current format. The industry-led scheme would, however, still be underpinned by existing health and safety law governing the safe management of adventure activities for young people.

Adventure activities would be dealt with in the same way as other leisure pursuits e.g. high ropes courses and climbing walls, but with an industry recognised accreditation scheme that would provide assurance to parents and teachers that the provider meets industry standards and in doing so complies with the law.

Possession of accreditation would not be a legal requirement, but the proposed scheme would provide a way for adventure activity providers to demonstrate compliance with their duties under Section 3 of the Health and Safety at Work etc Act 1974 and the Management of Health and Safety at Work Regulations 1999, in the way that the AALR do now. In addition, service-users using an accredited provider would be able to demonstrate due diligence when engaging services.

#### **Aspiration of phase 1 consultation met**

- provides assurance to users (providing there is sufficient demand from users and providers)
- retains the maximum licence duration
- maintains the current age criteria
- could allow for an alternative method of calculating the fees
- allows for a broadening of the scope of the scheme to other activities
- extends the reach of the scheme
- allows for a broadening of inspection to include issues such as quality of education provision, child safeguarding and transport safety
- allows for a cross border approach which includes Northern Ireland

#### **Aspiration of phase 1 consultation NOT met**

- The scheme would not address the desire to keep the fee at the current rate of £715. Future rates will be dependent on the uptake of the scheme so the fees may fluctuate. Some providers who already have other forms of non-statutory accreditation and who join the new scheme may find they no longer need to have more than one inspection covering different aspects of their service and may find that overall, they pay less, as a result of removing duplication.
- Removal of specific statutory requirement to have a licence for providers of specified adventure activities and the assurance that comes from that.

### More information about option 3

23. Provisionally, the Scheme would consist of:

- A **governing body** made up of representatives from the adventure activities industry, service users, the devolved Governments and HSE. The governing body would have oversight of the operation of the whole scheme, monitor its success and set its strategic goals.
- An **awarding body** (UKAIG), made up of industry representatives would operate the scheme across the UK, define its scope, set criteria for accreditation, maintain a register of accredited providers, provide guidance and administer an inspection regime by competent inspectors. UKAIG would seek accreditation from the United Kingdom Accreditation Service (UKAS). UKAS is recognised by government, to assess against internationally agreed standards, organisations that provide certification, testing, inspection and calibration services. Accreditation by UKAS demonstrates the competence, impartiality and performance capability of evaluators.
- A **'contractor'** which would deliver the scheme as directed by the AAI Awarding Body, provide assurance of the competence of and maintain a register of inspectors.

Operational arrangements would include:

- **Pricing Structure** Pricing would reflect the number of accredited areas the provider required. For example, a provider of adventure activities with a facility (Centre) wishing to be inspected for activity related safety and the quality of learning related to their activities / programmes would expect to pay a higher fee than a provider of adventure activities without a facility, wishing to be inspected for activity related safety only.  
The pricing structure would be proportionate, taking account of the number of days needed to carry out the inspection/assessment and size of provider along with the principles set out in the current "Guidance from the Licensing Authority on the AALR 2004" (Guidance book code L77) and relevant National Governing Body guidelines. Outside the confines of the legislation there would be potential to offer short-term accreditation for one-off events or other bespoke solutions if there was demand for it.
- **Accreditation duration** - Accreditation would be for no more than three years.

- **Transition arrangements** - If this option was chosen, transition arrangements would be put in place to ensure the minimum disruption to existing licence holders.
- **Application Process** - As is the case with AALA, providers would be required to apply before accreditation could be considered. Following receipt of the application, an inspector would arrange to visit and complete an inspection. They would then make a recommendation to the contractor, who would award the accreditation on behalf of the AAI Awarding Body. Spot checks may also be an option during the accreditation period.

## Questions

### Would option 3 be acceptable to you?

- Yes/No
- Why or why not? [free text box]

### Providers - If the AALR regulations were removed would you sign up to an industry- led assurance scheme as described above?

- Yes/No
- Why/why not? [free text box]

### Users - If the AALR regulations were removed would you use adventure activity providers who were accredited by the industry- led scheme proposed in option 3?

- Yes/No
- Why/ Why not? [Free text box]

### Users - If the AALR regulations were removed would you use a non-accredited provider for adventure activities?

- Yes/No
- Why/Why not? [Free text box]

### Do you have any other comments to make on the options? [free text box]

## Costs to business

24. The intention of HSE and DWP is that the amount of funding required from Government to support the licensing scheme will reduce in the longer term. The increase may be implemented gradually through a transition phase and be followed by further increases so the service can sustain itself as intended. It is essential therefore that any revised fee structure proposed in options 1 or 2 takes account of both retrospective and future inflationary pressures, whilst providing a sustainable and fair fees structure for the future. In Table 1 we have set out indicative costs for each option based on the assumptions below.

25. Option 1: under this option, the number of activities in scope of AALA does not change. To achieve cost recovery, fees would have to increase from £715 to around £1,500. It has not been not decided how the transition would work in practice, but for illustrative purposes we have assumed a phased increase of fees over 10 years. The additional cost to the current providers is estimated to have a ten-year present value in the region of £2.7 million, with an equivalent annual cost (EAC) of around £310 thousand.

26. Option 2: under this option, additional activities would come into scope of AALA, and the phased increase in fees would occur as in option 1. There are 6 new potential activities that have been quantified in this option: Climbing walls; Rowing; Snow Slopes; Rafting and Inflatables towed by motor boats; Surfing; and High Ropes. There are around 305 providers of the activities in Great Britain. HSE has estimated numbers of providers using available online data and HSE sector intelligence. These are the initial best estimates of the number of providers to illustrate the scale of the costs of this proposed option and HSE will seek to refine them as the policy develops.

27. The total additional cost of option 2 comprises the additional cost of £310 thousand in equivalent annual terms to current providers; and the additional costs of inspection and fees for the estimated 305 new providers.

28. The cost of all 305 new providers to be inspected is estimated to be around £23 thousand in the first year, with an average annual cost thereafter of around £13 thousand. This gives an estimated ten-year net present value of around £120 thousand.

29. The cost to the new providers of the total fees, which are modelled to increase over the ten years to £1,500, is estimated to have an initial cost of £240 thousand in the first year and a ten-year net present value of around £1.7 million with an equivalent annual cost of around £200 thousand.

30. The total additional costs to the current and new providers under option 2 is estimated to have a ten-year present value of around £4.5 million, and an equivalent annual cost of around £530 thousand. The administrative cost of new providers joining the scheme for the first time has not yet been estimated, but would increase these numbers further.

31. Option 3: this option is the abolition of AALA and its replacement by an industry-led non-statutory scheme. HSE are currently working with UKAIG to cost the proposal as it develops. There have been discussions between the industry group as to the activities that would potentially be in scope. According to a discussion document from UKAIG, the industry group intend to expand the scope to activities where providers would be interested in joining AALA. We expect that UKAIG's scheme would attract providers of the types of activities brought into scope under option 2, but we would not expect them all to join a voluntary scheme, as we would if it were compulsory. Therefore, we expect that the numbers joining and the costs would fall part way between option 1 and option 2.

Table 1: Summary of estimated cost for the different options over 10 years

<i>Options</i>	<i>Net Present Value</i>	<i>Equivalent Annual Cost</i>
Total Cost of option 1	£2.7 million	£310 thousand
Total Cost of option 2	£4.5 million	£530 thousand
Total Cost of option 3	To be determined	

## Annex 1 Summary of questions

1. Are you a user or a provider of adventure activities?
  - User
  - Provider
  - Neither (please specify)
2. In what capacity are you responding to this consultation?
  - Individual
  - Organisation (please specify)
3. How many people are employed within your organisation (across all sites)?
  - 0
  - 1-4
  - 5-9
  - 10-19
  - 20-49
  - 50-99
  - 100-249
  - 250+
  - N/A
4. Where is your organisation primarily based?
  - England
  - Scotland
  - Wales
  - Northern Ireland
5. Do you have a licence? Is it a 1, 2 or 3-year licence?
  - N/A
  - 1 year
  - 2 years
  - 3 years
6. What activities do you provide that are currently in scope of AALA:
  - Caving
  - Climbing
  - Water-sports
  - Trekking
  - N/A
7. Approximately how many man-hours did it take to fill in your first application for a licence?
  - Less than a day
  - Around a day
  - Between 1 and 2 days
  - Around 2 days
  - More than 2 days (please specify)
  - N/A

8. How many man-hours does it take to deal with an inspection? Please consider any time you spend before, during and after the inspection. Please do not count the duration of the inspection where it does not interfere with your normal business.
- Less than one hour
  - Between one and two hours
  - More than two but less than four hours
  - More than four but less than six hours
  - Six hours or more (please specify)
  - N/A
9. Do you currently have a membership for a voluntary accreditation scheme for adventure activities?
- Yes
  - No
  - If yes please list here

**Thinking about each of the options proposed:**

10. Is option 1 (i.e. retain the AALR regulations and current licensing scheme underpinned by the Health and Safety at Work etc. Act 1974, and increase fees) acceptable to you?
- Yes
  - No

Please explain your answer

11. Is option 2 (i.e. retain the AALR regulations and current licensing scheme underpinned by the Health and Safety at Work etc Act 1974, increase fees and extend the activities in-scope) acceptable to you?
- Yes
  - No

Please explain your answer

12. Is option 3 (i.e. removal of the AALR regulations and move to an industry-led; not-for-profit accreditation scheme underpinned by the Health and Safety at work etc. Act 1974, to provide assurance to users of outdoor activities) acceptable to you?
- Yes
  - No

Please explain your answer

13. **Option 1:** Do you agree with a proposal to return to the original method of calculating fees where there was a charge for the licence itself, plus an administration fee and a charge per hour for inspection?

- Yes
- No

Please explain your answer

14. **Option 1:** If the fee rose from £715 to £1500 over a period of say ten years would you continue to provide activities in scope of AALA?

- Yes
- No

Please explain your answer

15. **Option 2:** Would you be in favour of extending the scope of licencing by removing some of the current exemptions and adding to existing categories?

- Yes
- No

Please explain your answer

16. **Option 3:** (Providers) If the AALR regulations were removed would you sign up to an industry- led assurance scheme as described above?

- Yes
- No

Please explain your answer

17. **Option 3:** (Users) If the AALR regulations were removed would you use adventure activity providers who were accredited by the industry- led scheme?

- Yes
- No

Please explain your answer

18. Do you have any other comments to make on the options?