
Licensing Act 2003 Committee

7th July 2006

Report of the Director of Neighbourhood Services

Gambling Act 2005 – Consultation on Licensing Policy

Summary

1. This report outlines the council's responsibilities under the Gambling Act 2005 and the timescales for its implementation. It seeks member approval to consult on a draft statement of licensing policy and agreement on those parties to be consulted. Members are also asked to approve a rearranged date for a future meeting of the committee to consider the responses to the consultation exercise.

Background

2. The Department for Culture, Media and Sport (DCMS) provide the following overview of the Gambling Act 2005 (the Act):

“The Act replaces most of the existing law about gambling in Great Britain and puts in place an improved, more comprehensive structure of gambling regulation. This includes a new structure of flexible protections for children and vulnerable adults and, in particular, brings the burgeoning internet gaming sector within British regulation for the first time. It creates a new independent regulatory body, the Gambling Commission (the Commission), which will be the new, tough national regulator for commercial gambling in Great Britain.

The Act also allows for a controlled increase in the number of casinos in Great Britain. There will be a maximum of 17 new style casinos, whose locations will be proposed by an independent advisory panel. Existing casinos will be able to continue broadly as now. These new casinos will be significant leisure developments that will bring jobs and improved leisure facilities where they are wanted. But the Act also puts in place a strong role for local authorities in licensing gambling premises in their area, and authorities will be able to resolve not to license any new casinos in their area if they do not want them.”

3. A more comprehensive overview to the Act is attached at annex1 to this report.

Role of the Local Authority

4. The City of York will be a licensing authority under the Act and will be responsible for:

- Issuing premises licences for casinos, betting offices, race tracks, bingo clubs, adult gaming centres, family entertainment centres
 - Issuing permits for gaming machines in members' clubs and licensed premises, gaming in members' clubs, prize gaming including certain lotteries and unlicensed family entertainment centres
 - Endorsing temporary use notices
 - Issuing provisional statements
 - Receiving occasional use notices
 - Receiving notifications for the use of 2 or less gaming machines in licensed premises.
 - Providing information to the Gambling Commission
 - Maintaining a register of permits and licences issued
 - Carrying out its enforcement functions under the Act either independently or in partnership with the Gambling Commission or the police.
5. Before being able to exercise its powers under the Act a licensing authority must prepare and publish a licensing policy covering all their functions. An essential part of that process is consultation. The policy should be reviewed from time to time and in any event is subject to a 3 yearly renewal.

Draft Licensing Policy Statement

6. Attached at Annex 2 is the draft policy statement to be subject to consultation. The document is produced as a working paper, which will, after revision following the consultation, be edited prior to publication. The government recommended time for the consultation process is 12 weeks.

Timescales

7. The following are key dates leading to the implementation of the Act;

Approval of draft statement by Licensing Act 2003 Committee – 7th July 2006.

Draft statement out for consultation 14th July 2006

Consideration of responses by Licensing Act 2003 Committee – to be arranged. (scheduled meeting 6th October)

Approval of statement of licensing policy by Council 30th November 2006.

Licensing Policy Statement published December 2006.

Licence applications accepted February 2007 (subject to legislation)

Full implementation 1st September 2007 (subject to legislation)

Consultation

8. The Act requires the following to be consulted:
 - a) The Chief Officer of Police, and
 - b) One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area, and
 - c) One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under this Act
9. It is proposed to consult in respect to those included in b) above
 - Casino Operators Association
 - British Casinos Association
 - Association of British Bookmakers
 - William Hill Bookmakers
 - Ladbrokes Bookmakers
 - Coral Bookmakers
 - BACTA (leisure machines)
 - Racecourse Association
 - Business in Sport and Leisure
 - British Pub and Beer Association
 - Bingo Association
10. It is proposed to consult in respect to those included in c) above
 - City of York Safeguarding Children Board
 - Selby and York Primary Care Trust
 - Safer York Partnership
 - Director of Housing and Adult Social Services
 - Director of Learning, Culture and Children's Services
 - Director of City Strategy
 - Citizens Advice Bureau
 - Council for Voluntary Services
 - GamCare
 - York Tourism Bureau
11. In addition we propose to publish the draft policy on the councils website and provide a press release for the local media. All members of this council and parish councils will be directed to the consultation document on the website and comments will be invited.

Options

12. Members have the following options:
 - a) to approve the draft policy for consultation without amendment
 - b) to make amendment to the draft policy prior to the consultation process
 - c) to agree or amend the proposed list of consultees

Analysis

13. The opportunities for this authority to make significant changes to the policy are limited by legislation. There are however areas where local decisions are required and members may wish to consider these in relation to the to the options above.
 - a) Casinos – the Licensing Authority may resolve a ‘no casino’ resolution, which will prevent casino operators applying for a casino in the city, should there be a relaxation in the current limitation on the number of casinos nationally. Such a resolution lasts for 3years and maybe revoked by further resolution. (Draft policy Part B. 4 page 19)
 - b) Permits for unlicensed Family Entertainment Centres – these are premises where only low category D gaming machines are in use. There is no restriction on entry or use of machines by children. No operator’s licence is required. A permit is issued by the licensing authority. A licensing authority may include in their policy a statement of principles they intend to apply when considering applications for these permits. The draft policy Part C.1 page 26 sets out a statement as suggest by the Gambling Commission but authorities are able to determine their own principles or indeed not adopt any.
 - c) Permits for prize gaming – gaming where the size of the prize is not determined by the number of persons playing. Children or young persons may participate in equal chance prize gaming ie bingo and maybe attracted to premises offering this facility. A licensing authority may include in their policy a statement of principles they intend to apply when considering applications for these permits. The draft policy Part C.3 page 29 sets out options in relation to the authorities principles.
 - d) Interested parties-the draft policy Part A.6 page 5 sets out officers views as to who should be considered as an interested party in general terms giving maximum discretion to the licensing authority. There is scope however for the authority to be more prescriptive.

- e) Location - the draft policy Part B.1 page 12 sets out officers views as to how the licensing authority will consider location of applicants premises in relation to meeting the licensing objectives. The parameters are set give the authority maximum discretion but there is scope to be more prescriptive.

Corporate Priorities

14. The Gambling Act has 3 objectives:

- a) preventing gambling from being a source of crime and disorder, being associated with crime and disorder or being used to support crime;
- b) ensuring that gambling is conducted in a fair and open way; and
- c) protecting children and other vulnerable persons from being harmed or exploited by gambling.

These will contribute to the overall corporate objective of :

“Improving the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York.”

Such behaviour can be associated with poorly regulated gambling activities.

15. **Implications**

- **Financial** - N/A
- **Human Resources (HR)** – N/A
- **Equalities** – N/A
- **Legal** – The Gambling Act requires a licensing policy statement to be prepared, consulted on and published by the licensing authority. This statement is required to set out the principles which the licensing authority propose to apply in exercising its functions under the Act
- **Crime and Disorder** - The Committee is reminded of their duty under the Crime and Disorder Act 1998 to consider the crime and disorder implications of their decisions and the authority’s responsibility to co-operate in the reduction of crime and disorder in the city.
- **Information Technology (IT)** – N/A
- **Property** – N/A
- **Other** – none

Risk Management

16. In compliance with the Councils risk management strategy any decision made which is unreasonable or unlawful could be open to legal challenge resulting in loss of image reputation and potential financial penalty. The Council needs to adopt a Licensing Policy for application of the Act which is lawful and upon which licensing decisions can be based.
17. Measured in terms of impact and likelihood, the risk score has been assessed at less than 16. This means that at this point the risks need only to be monitored, as they do not provide a real threat to the objectives of this report.

Recommendations

18. Members are requested to
 - a) approve the draft statement of the Gambling Act 2005 licensing policy as submitted or amended for consultation; and
 - b) approve the named consultees and process for consultation ; and
 - c) determine a suitable date for a meeting of this committee to take place after the period for consultation, which concludes on 6th October 2006 and before full council on 30th November 2006

Reason: to meet legislative requirements.

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Report Approved **Date** 20/6/06

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Gambling Act 2005
Gambling Commission Guidance to Licensing Authorities

Annexes

Annex 1 Summary of Gambling Act 2005
Annex 2 Draft statement of Licensing Policy (Gambling Act 2005) (see below)

Please Note:

Annex 2 to this report, which contains the Draft Statement of Licensing Policy, is a large document and is therefore available as follows:

Online at www.york.gov.uk (see meetings). If you are already viewing the online version of this agenda, then the annex will be incorporated into the agenda.

A paper copy is available for viewing at the Guildhall, York. Please contact the Democracy Officer on the details at the foot of this agenda. Copies will be available at the meeting.