

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....30th November 2006

1. Title of Item/Report

The Licensing Act 2003 and the Gambling Act 2005 - Progress on the Transfer of Functions to the Local Authority

2. Record of the Decision

Cabinet considered a report that updated Members on the work undertaken under the Licensing Act 2003, following its implementation of the Licensing Act, and provided details of the progress toward implementation of the Gambling Act 2005.

Members were reminded that The Licensing Act 2003 was fully implemented on 24 November and this authority had issued 532 licenses to premises and had issued 702 personal licenses. As requested by Cabinet all new and variation license applications were consulted on by means of a letter to residences within a 100m radius of the premises, in addition to the consultation mechanisms required by statute, this had resulted in over 390 consultations being undertaken, on average a ten page letter being sent to around 100 premises per consultation (over 39,000 letters). These consultations resulted in 311 hearing reports being prepared and a busy workload for the Licensing Sub Committees. Neighboring authorities did not undertake such additional consultation and they had only a handful of hearings each.

The number of premise licenses issued and variations/transfers etc requested had exceeded initial estimates whilst the number of personal licenses issued and changes requested had been lower than estimated. The net effect had been that the levels of income had been greater than initially estimated (£95,000 per annum as against an estimate of £32,500) whilst expenditure on staffing and consultation has been greater than initially expected (£45,000). Additional staffing costs within Trading Standards & Licensing Administration had been managed using Managed Surpluses to date and reductions in staffing levels were currently being undertaken to ensure that the service could be maintained within current budget allocation and the additional income received.

With regard to the Gambling Act it was explained that the Licensing Committee had recommended approval of a revised draft Statement of

Licensing Principles. A copy of that document was provided for Cabinet's consideration.

An appendix to the Statement of Principles contained proposed revisions to the Scheme of Delegation that would be required by the authority in implementing the Gambling Act 2005.

Cabinet noted that the key stages for implementation remained as outlined in the report to Cabinet in March 2006 other than the time table for receipt of applications had been set back to 30 April 2007 to allow authorities a little more time for preparation. A timetable/action plan showing how the Council was preparing for implementation was provided to Members.

Members considered the financial implications of implementing the Gambling Act. The Government had stated that money had been made available through the Revenue Support Grant (RSG) distributed by ODPM for the start-up costs associated with gambling premises licensing. This money was available in 04/05 and 05/06. The Government envisaged that the following should be considered as start-up costs:

- training for existing licensing officers, councillors and administrative staff;
  - staff/recruitment costs (where additional staff are required to fulfil gambling premises licensing responsibilities);
  - additional software/hardware requirements;
  - transfer of records from licensing justices to licensing authorities;
- and
- production of the licensing authority's three year licensing policy statement, and consultation on it.

In accordance with the medium term financial plan this resource was not passported – it was considered that staffing levels would be able to cope with the additional work anticipated by the Gambling Act 2005 as the initial high levels of work required by the Licensing Act began to tail off. This assumption would need to be kept under review as the Gambling Act 2005 was implemented and, if initial assumptions were not accurate, a further report to Cabinet would be submitted in late 2007.

The ongoing costs of authorities' new responsibilities under the Act would be met through initial application and annual fees (for premises licences) and fees for permits and other permissions.

Premises licence fees in England and Wales would be set via a series of bands, with a prescribed maximum in each band. Licensing authorities would be able to select precise fees from within the bands, limited to cost

recovery. This was intended to allow authorities to fully recover the costs of their new responsibilities whilst providing consistency of approach across England and Wales and providing the gambling industry with a degree of certainty over the fees that would be charged.

In addition, certain high performing authorities would be free to set their own fees, again limited to cost recovery. This would give those selected authorities the freedom to consider other types of fee structure, such as higher fees for an expedited service. It was currently envisaged that this freedom would apply to those authorities rated excellent under the Audit Commission's Comprehensive Performance Assessment.

The Secretary of State would set the fees for permits and other services.

The draft regulations covering fees were not likely to be published until mid April and therefore officers had not been able to determine the resource implications for the authority. Consultation on premise applications by the local authority would not be covered by the license fee (as per the Licensing Act 2003). If the authority wished to continue this form of consultation, further resources would be required.

The implementation of the Council's new responsibilities under the Gambling Act 2005 involved making complex decisions, balancing the interests of applicants for licences with the interests of their customers and those of the community at large.

RESOLVED that

1. the report and the implications in it be noted.
2. an all Members' Seminar(s) be arranged when the Gambling Act Regulations are implemented.

RECOMMENDED to Council that the Gambling Act 2005 Statement of Principles be approved together with the necessary changes to the Council's Scheme of Delegation

3. Reasons for the Decision

New legislative framework that will impact significantly upon the Council.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

By no later than midnight on Friday 8th December 2006 in respect of resolutions 1 and 2 only.

Proper Officer  
05 June 2006