

AGENDA ITEM

REPORT TO COUNCIL

20TH JANUARY 2015

REPORT OF CORPORATE MANAGEMENT TEAM

REVIEW OF THE STATEMENT OF PRINCIPLES FOR GAMBLING PREMISES IN STOCKTON

SUMMARY

The Authority is required by section 349 of the Gambling Act 2005 to publish a statement of the principles that it proposes to apply when exercising its functions under the Act, in the form of a Gambling Policy. This policy statement must be reviewed and published every three years. The Council's current policy statement took effect in January 2013 and is now due for review.

RECOMMENDATIONS

That Members approve the revised Statement of Principles for Gambling Premise as presented in **Appendix 1**.

DETAIL

1. Under the Gambling Act enforcement responsibilities for gambling activities are shared between the Gambling Commission and Local Authorities. The Commission is responsible for issuing operator licences for businesses and individuals who provide traditional gambling activities such as arcades, betting shops and casinos as well as operators who provide remote gambling services.
2. Local Authority's responsibilities include issuing premises licences to operators for betting shops, bingo premises and casinos premises; issuing permits for low stake gambling in venues such as pubs and registering societies to hold small lotteries.
3. The Act requires that the Authority carries out its various licensing functions with a view to promoting the following three licensing objectives:
 - Preventing gambling from being a source of crime and disorder; being associated with crime or disorder or being used to support crime;
 - Ensuring that gambling is carried out in a fair and open way;
 - Protecting children and vulnerable persons from being harmed or exploited by gambling.
4. The Gambling Act also requires that before each successive period of 3 years, the Licensing Authority must prepare and publish a statement of principles that it proposes to apply in exercising its functions under the Act. The current Statement of Licensing Principles was approved by Council in January 2013 and under the provisions of the Act, needs to be reviewed prior to publication in January 2016.

Background

5. Since the last Policy Statement was issued the Gambling Commission has published revised Licence Conditions and Codes of Practice (LCCP) with many changes coming into force in May 2015. The main changes in this document relate to the social responsibilities and obligations of operators, which falls mainly under the remit of the Commission.
6. In summary the changes include:
 - a requirement for casinos and larger operators to conduct test purchasing, as a means of monitoring the effectiveness of their policies and procedures designed to prevent underage gambling
 - measures related to helping staff identify and assist problem gamblers
 - implementation of multi-operator self-exclusion schemes
 - a new Social Responsibility code provision which requires that 'free bet' offers are marketed in a fair and open way and do not mislead
 - additional remote technical standards for gambling management tools.
7. The changes also include minor amendments and codify areas of good practice which will improve social responsibility standards across gambling businesses including:
 - improved training, policies, procedures and control measures to ensure access to gambling by children and young people is prevented
 - widening the methods for providing information to players
 - improved awareness of local risks to the licensing objectives for premises-based operators
 - clarification of the requirement to provide financial support to research, education and treatment
 - amendments to measures affecting sectors such as pool betting and social lotteries.
8. The revised policy makes it clear that applicants must be aware and comply with these new social responsibility provisions and that the Authority will consider test purchase exercises and other enforcement action where it is felt necessary and proportionate to do so and will refer any examples of non-compliance to the Gambling Commission for appropriate action.

Gambling Commission Guidance to Licensing Authorities

9. Since the last policy statement was issued the Commission has also produced updated guidance for Licensing Authorities, this is currently under consultation. The main changes to the guidance are around the provisions for licensing authorities to include a local area profile based upon various data sources and also a new requirement that operators with premise licences produce a local risk assessment that is specific to a particular location within the Borough.

Gambling Prevalence Survey

10. There have been a number of national gambling prevalence surveys aimed at assessing participation in gambling and the prevalence of problem gambling in Great Britain. The third survey carried out on behalf of the Gambling Commission was carried out during 2010. It builds on the two previous surveys conducted in 1999 and 2007, providing a valuable basis for understanding the way people gamble in Britain.
11. The results showed:
 - Overall, 73% of the adult population (aged 16 and over) participated in some form of gambling in the past year.
 - As noted in previous years, the most popular gambling activity was the National Lottery. In 2010, 59% of adults had bought tickets for the National Lottery Draw.

- Excluding those who had only gambled on the National Lottery Draw, 56% of adults participated in some other form of gambling in the past year.
- Only one activity showed a large decrease in popularity between survey years. This was football pools (4% in 2010, 9% in 1999).
- In 2010, after the National Lottery, the most popular gambling activities were other lotteries (25%), scratch cards (24%), betting on horse races (16%), playing slot machines (13%) and private betting (11%).
- Less than one in ten people took part in each other activity. Estimates ranged from 9% who took part in bingo and betting on sports events to 1% who reported spread betting.
- The prevalence of playing poker in a pub tournament or at a club was measured for the first time in 2010. Overall, 2% of adults reported playing poker this way in the past year.

Current Premises Licences

12. Since 1st January 2013 a total of 3 premises applications (all for betting premises) have been received and granted. A further 23 registrations for small lotteries have been received and 36 applications for gaming machine permissions in pubs and clubs have been issued.

Current active licences in Stockton are as follows:

Type of licence or permit	Active licences or permits at 1/1/15
Casino	1
Bingo	3
Betting shops	38
Adult Gaming Centre	8
Family Entertainment Centre	0
Small Lottery	21
2 or less gaming machines (automatic entitlement for pubs)	86
3 or more gaming machines permit (for pubs)	21
3 or less gaming machines permit (for clubs)	22

13. All of these permits and licences (except the automatic entitlement for 2 or less gaming machines in pubs) are renewed annually.

Crime Statistics From Community Safety

14. Since 2012 there have been 55 recorded offences linked to betting establishments or gaming arcades, where a location has been specified in the crime report. There were 19 reports in 2012; 22 reports in 2013 and 14 reports in 2014.
15. Of these offences, 9 were burglaries or attempted burglaries to the properties; 15 were criminal damage offences (windows and doors damaged); 5 were violent crimes (all 5 related to customer fights) and the remainder were theft offences (including theft of purse and wallets and bikes stolen from outside the premises).
16. There does not appear to be any issues with staff being assaulted within these locations. The locations of the premises are mainly within the Stockton town centre ward (35 of the 59 crimes) linked to Mecca Bingo, or bookmakers on the High Street but there have also been offences at bookmakers around the Borough.
17. There is nothing to suggest that ASB is of concern at these premises or outside of them due to a gambling establishment being located there.

Summary of the Policy Review Process

18. Using all of these information sources and guidance documents a revised draft policy was produced and was first considered by the Authority's Licensing Committee on 15 July 2015 when it was agreed that Head Of Service for Trading Standards & Licensing commence a consultation exercise on the draft policy document with relevant stakeholders.
19. The policy review was advertised in the Herald and Post and the Council's website when comments were invited on the revised draft policy. A copy of the draft policy was also circulated to:
- Cleveland Police Force;
 - Cleveland Fire Brigade;
 - Trading Standards, SBC
 - Planning Services, SBC
 - Community Safety, SBC
 - Regeneration & Economic Development, SBC
 - The Local Safeguarding Children's Board;
 - Members of the trade
 - Trade Associations
 - Licensing Committee
 - Members
 - Representatives of residents in the Stockton Borough Council area;
 - A number of Solicitors Practices who undertake licensing work in this area.
20. Consultation closed on the 20 October 2015. A small number of responses were received including substantive comments from Luxury Leisure Limited, Gosschalks Solicitors (on behalf of the Association of British Bookmakers) and Coral Racing Limited
21. The policy and comments received were considered at the Licensing Committee held on the 20 October 2015 when consideration was given to amending the draft policy to take account of some of the points raised. These changes have been incorporated into the final draft policy attached at **Appendix 1 (available on egenda at <http://www.egenda.stockton.gov.uk/aksstockton/users/public/admin/kab71.pl?cmte=COU>).**

Main Policy Changes

22. The main changes to the policy are as follows:

Paragraph	Summary of Changes
-	Addition of an introduction from Cabinet Member for Access, Communities & Community Safety
3	Additional information has been added about the profile of the Borough including a population profile; details of ethnic composition and affluence levels.
4	Data from the Health on the High Street Report and the Gambling Prevalence Survey added
6	Details of the Gambling licensing framework added
8	Reference to the Tees Local safeguarding Children's Boards Procedures Website added
12	Details of the national Primary Authority Scheme added. This scheme allows businesses to form a statutory partnership with one local authority, which then provides reliable advice that other regulators must take account of when carrying out inspections or dealing with non-compliances.
12	Link to the Corporate Enforcement Policy

14	Details of the new requirement that licences must submit a local risk assessment setting out the risks associated with the provisions of gambling activities at the premises and the policies and procedures in place to mitigate these risks.
14	Details of the suggested minimum criteria for CCTV when installed in premises
14	Details of the new requirements for operators for their social responsibility obligations including combatting problem gambling, ensuring children do not have access to gambling premises and participating with self-exclusion schemes
18	Detail added about how premise must restrict access for children to category C or higher machines in bingo premises
27/28	Statement of principles added for prize gaming permits and outline of responsibilities of club operators obligations to protect children and vulnerable persons from harm
31	New section on Small Society Lottery Registrations
Appendix C	New appendix setting out maximum stakes and prizes for gaming machines
Appendix D & E	Updated contact/website details

23. Further minor changes have been made to the draft policy following the comments received during the consultation exercise. These include:

- Clarification that the requirements of the Regulators Compliance Code apply to all aspects of enforcement including policy formulation
- Clarification around the suggested minimum information to be included in a local risk assessment (para 14. 14).
- Clarification about minimum requirements and capabilities of cctv systems and their operation (para 14.15)
- Clarification around what the Licensing Authority will consider when considering primary gambling activity.
- Addition of contact details for advice and counselling services for problem gamblers at Appendix E.

A copy of the final draft policy is attached as **Appendix 1**.

24. Cabinet considered this matter at its meeting held on 3 December 2015 and a copy of the relevant minute extract is attached at **Appendix 2**.

FINANCIAL IMPLICATIONS

25. The cost of licensing gambling premises and issuing gaming permits and lottery registrations will be met from the fees paid by applicants. The fee structure, in terms of the application/renewal fees to be charged, will be determined with a view to full cost recovery.

26. The adoption of the policy will assist members and officers when considering applications and businesses intending to submit applications. It will give a clear outline of what will be considered when assessing applications.

LEGAL IMPLICATIONS

27. The Authority is required by the Gambling Act 2005 to publish a statement of the principles that it proposes to apply when exercising its functions under the Act, in the form of a Gambling Policy. This policy statement must be published every three years.

28. The adoption of this policy will assist members and officers when considering applications. Each application will be considered on its merits but Members and officers will give due regard to the policy.

RISK ASSESSMENT

29. This (subject matter of report) is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

COUNCIL PLAN THEMES

Environment and Housing

30. Steps to promote the licensing objectives, especially the prevention of public nuisance, will have a positive effect on the environment in which people live.

Safer Communities

31. One of the licensing objectives in the Act is to prevent gambling from being a source or being associated with crime and disorder. The policy will seek to support this objective.

Children and Young People

32. One of the licensing objectives in the Act is to protect children from being harmed or exploited by gambling. A key aim of the policy is to prevent children accessing gambling premises.

Health and Wellbeing

33. One of the licensing objectives in the Act is to protect vulnerable persons from being harmed or exploited by gambling. A key aim of the policy is to reduce the impact of the the potential harmful aspects of gambling.

EQUALITIES IMPACT ASSESSMENT

34. This report is not subject to an Equality Impact Assessment because at the time of the previous review the report was judged to have a positive impact. No remedial actions are therefore required.

CONSULTATION INCLUDING WARD/COUNCILLORS

35. Consultation on the revised Policy was commenced in July 2015, a newspaper advert was published and the draft Policy was placed on the Council website. Contact was made with a number of interested parties, including all responsible authorities, existing licence holders, trade bodies and associations. Members of the Licensing Committee have also considered the draft Policy.

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Education related

No

Background Papers

None

Ward(s) and Ward Councillors:

Not ward related.