


REPORT TO EMERGENCY COMMITTEE

6 May 2020

Subject:	Gambling Act 2005 – Statement of Principles
Director:	Neil Cox Director Prevention and Protection
Contribution towards Vision 2030:	
Contact Officer(s):	Nicola Plant Service Manager Regulated Services and Transformation Tracy Hubball Operations Manager - Licensing

DECISION RECOMMENDATIONS

That :

1. Approval is given for the 'no casino' resolution to be retained within the Statement of Principles as set out in Appendix 1.
2. That subject to approval of 1 above, the Gambling Act 2005 - Statement of Principles as set out in Appendix 1 be approved and adopted with immediate effect.

1 PURPOSE OF THE REPORT

- 1.1 This report seeks approval of the updated Statement of Principles for the licensing of gambling in the borough.
- 1.2 The Gambling Act 2005 (the Act) requires Sandwell Council, as the Licensing Authority, to review its Statement of Principles under the Gambling Act 2005, (Gambling Policy), every three years.
- 1.3 Sandwell's current Statement of Principles was implemented in 2016.

- 1.4 In August 2019 Cabinet approval was given to undertake a formal consultation with all relevant stakeholders on the proposed Statement of Principles for gambling (Decision 90/19).
- 1.5 There were no significant changes required as a result of the consultation with the main requests being for a list of contacts and a table of delegations which has been included.
- 1.6 There were no objections to the council's 'no casino' resolution and therefore this has been retained within the policy and approval is requested to re-affirm this resolution and retain this within the Statement of Principles.
- 1.7 Members of the Licensing Committee have been consulted on the revised policy and have no objections.
- 1.8 Following the conclusion of the consultation process, the Sandwell Statement of Principles for gambling is now presented for approval and implementation, together with approval to re-affirm the 'no casino' resolution.

2 IMPLICATIONS FOR VISION 2030

- 2.1 The revised Statement of Principles for gambling therefore has a key role in ensuring the Council delivers on its Vision 2030 commitments, in particular:-
 - Ambition 1 – Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.
 - Ambition 5 - Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods
 - Ambition 8 - Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families
- 2.2 The Gambling and betting industry is a key contributor to the UK economy, directly generating an average of £2.3 billion towards the UK GDP. However, it is also recognised that such entertainment can lead to negative impacts on the individual gambler, their family and the wider community. Such negative impacts include financial problems, mental and physical health issues, job loss and absenteeism, criminality, and the well-being of children and carers.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Council's Gambling Statement of Principles is intended to meet the Licensing Authority's obligations under Section 349 of the Gambling Act 2005 (referred to as "the Act"). The Act requires Sandwell Council, as the Licensing Authority, to review its Statement of Principles under the Gambling Act 2005, (Gambling Policy), every three years.
- 3.2 Sandwell's current Statement Principles was approved in 2016.
- 3.3 In carrying out its licensing functions under the Act, the Licensing Authority will act in accordance with the relevant legislation, adopt the principles of better regulation, regulate gambling in the public interest and aim to permit the use of premises for gambling as it thinks fit so long as it is:
- In accordance with any relevant Codes of Practice issued by the Gambling Commission
 - In accordance with any relevant guidance issued by the Gambling Commission
 - Reasonably consistent with the licensing objectives, and
 - In accordance with this Statement of Principles
- 3.4 There are three licensing objectives which are central to the regulatory regime created by the Act. These are:
- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
 - Ensuring that gambling is conducted in a fair and open way
 - Protecting children and other vulnerable persons from being harmed or exploited by gambling
- 3.5 The Act provides for three categories of licence:
- Operating licences
 - Personal licences
 - Premises licences

The Licensing Authority is responsible for issuing premises licences. The Gambling Commission is responsible for issuing operating and personal licences.

- 3.6 The Gambling Commission regulates gambling in the public interest. It does so by keeping crime out of gambling:

- By ensuring that gambling is conducted fairly and openly
- By protecting children and vulnerable people

The Commission provides independent advice to the government about the way gambling is carried out, the effects of gambling and the regulation of gambling generally.

The Commission has issued Guidance under Section 25 of the Act regarding the way local authorities exercise their licensing functions under the Act and, in particular, the principles to be applied by local authorities.

3.6 The Commission has issued several codes of practice under Section 24 of the Act about the way facilities for gambling are provided, including the advertising of gambling facilities and fixed odds betting terminals.

3.7 “Gambling” is defined in the Act as either gaming, betting, or taking part in a lottery.

- Gaming means playing a game of chance for a prize
- Betting means making or accepting a bet on the outcome of a race, competition, or other event or process; the likelihood of anything occurring or not occurring, or whether anything is true or not
- A lottery is where persons are required to pay in order to take part in an arrangement, during the course of which one or more prizes are allocated by a process which relies wholly on chance

3.8 The main functions of the Licensing Authority are to:

- Licence premises for gambling activities
- Grant permits for gambling and gaming machines in clubs
- Regulate gaming and gaming machines in alcohol licensed premises
- Grant permits to family entertainment centres for the use of certain lower stake gaming machines
- Grant permits for prize gaming
- Consider notices given for the temporary use of premises for gaming
- Consider occasional use notices for betting at tracks
- Register small societies lotteries

3.9 Spread betting is regulated by The Financial Conduct Authority, Remote Gambling is regulated by the Gambling Commission and The National Lottery is regulated by the National Lottery Commission.

4 THE CURRENT POSITION

- 4.1 The table below depicts the current premises licenced under the Councils Gambling Statement of Principles;

Premises type	Number
Automatic entitlements (notifications of up to 2 gaming machines in pubs)	137
Alcohol licensed premises gaming machine permits (3 or more gaming machines in pubs)	33
Club machine permits	24
Adult Gaming Centres	11
Betting Premises Licences	47
Bingo Premises Licences	5
Casino Premises Licences	2
Track Betting Premises Licenses	1
Family Entertainment Centre Premises Licenses	0

- 4.2 The updated Statement of Principles has been drafted in conjunction with partners, in recognition of the impact that Gambling has on the borough's population and economy.
- 4.3 The updated Statement of Principles do not fundamentally change the Councils approach to licensing of Gambling premises or have significant impact upon existing or new licensed premises.
- 4.4 In addition to updating with local demographic information, the updated Statement of Principles contains
- Increased expectations from business in recognising abuse
 - Information on modern day slavery
 - Information on test purchasing
 - Details of access requirements for licensed premises
 - More detail on the process of representation against a licence
 - Updated information on the need to undertake risk assessments
- 4.5 The Statement of Principles is supported by The Gambling Commission codes of practice. Under Section 24 of the Act this guidance structures the way facilities for gambling are provided, including the advertising of gambling facilities and fixed odds betting terminals.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Cabinet Office guidance on public consultations state that the time required for a public consultation 'will depend on the nature and impact of the proposal (for example, the diversity of interested parties or the complexity of the issue, or even external events), and might typically vary between two and twelve weeks'.
- 5.2 In consideration of the changes proposed, a consultation period of six weeks was held in line with the approval to consult. This duration was determined in the context that the changes do not have any implications upon groups with protected characteristics under the Equalities Act, there are no financial implications and the changes will not adversely affect licensed premises.
- 5.3 Consultation has been undertaken with organisations in accordance with Section 349(3) of the Act including:-
- West Midlands Police
 - Responsible Authorities in accordance with Section 349(3) of the Act
 - Representatives of the interests of persons carrying gambling businesses
 - Representatives of the interests of the local community, residents
- 5.4 Consultation responses have been taken into account and in consultation with Sandwell Legal Services have been incorporated into the revised Statement of Principles. There were no significant changes required as a result of the consultation with the main requests being for a list of contacts and a table of delegations which has been included. There were no objections to the council's 'no casino' resolution and therefore it is proposed to retain this within the principles.
- 5.5 Members of the Licensing Committee have been consulted on the revised policy and have no objections.

6 ALTERNATIVE OPTIONS

- 6.1 It is a requirement of the Gambling Act 2005 that the Licensing Authority publishes a Statement of Principles for gambling and reviews this every three years.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The Corporate Risk Management Strategy has been complied with to identify and assess the significant risks associated with this decision. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks. The assessment has determined that there are no significant risks arising from the decisions being sought.
- 7.2 There are no adverse budget implications or any other significant risks associated with the amendments detailed in this report.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Sandwell's Statement of Gambling principles was implemented in 2016. The Gambling Act 2005 (the Act) requires Sandwell Council, as the Licensing Authority, to review its Statement of Principles under the Gambling Act 2005, (Gambling Policy), every three years.
- 8.2 Sandwell Legal Services have advised on the updated Statement of Principles for gambling presented for approval

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment has been undertaken as part of the preparation of this report in line with Council policy.
- 9.2 The results of the assessment have identified that the proposals and recommendations contained in this report will not have an adverse impact on any group with protected characteristics.
- 9.3 The proposals are both reasonable and a proportionate response to the primary objective of protecting the public, in line with the licensing objectives outlined in the relevant legislation.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 Not applicable to this decision.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 Consideration has been given to the risks associated with the proposed updated Statement of Principles, however, no significant risks have been identified.

- 11.2 Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime is one of the three licensing objectives.
- 11.3 The Statement of Principles for gambling aims to keep crime out of gambling by :-
ensuring that gambling is conducted fairly and openly
protecting children and vulnerable people
- 11.4 Therefore, the proposed amendments should serve to have a positive impact on levels of crime and disorder in the borough.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The proposals put forward in this report are sustainable and respond to current legislation.
- 12.2 There is no indication that either legislation or industry standards are likely to be changed or amended.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 The Gambling and betting industry is a key contributor to the UK economy, directly generating an average of £2.3 billion towards the UK GDP. However, it is also recognised that such entertainment can lead to negative impacts on the individual gambler, their family and the wider community. Such negative impacts include financial problems, mental and physical health issues, job loss and absenteeism, criminality, and the well-being of children and carers.
- 13.2 According to the British Gambling Prevalence Survey 2010, 0.9% of adults in the UK meet the clinical criteria to be considered pathological Gamblers – for Sandwell this would equate to 2,186 adults. Furthermore, there is evidence that gambling is a particular issue for adolescents, with one survey of British teenagers aged 11-15 years finding that 1.9% met the clinical criteria for pathological gambling. This highlights the particular risks of problem gambling for young people.
- 13.3 Problematic gambling is also associated with a number of risk factors such as being unemployed, having poor health, being younger, male, binge drinking – factors which affect many of our local residents and therefore increase the propensity towards problematic gambling.
- 13.4 The Licensing Authority wishes to minimise any negative impact from licensed gambling through the revised Statement of Principles.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 Not applicable to this decision.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The Licensing Authority is required by the Gambling Act 2005 to publish and review its Statement of Principles for gambling. The updated Statement of Principles has been prepared following consultation in compliance with the Gambling Act 2005.

15.2 It is therefore proposed that:-

- the 'no casino' resolution is re-affirmed and retained within the Statement of Principles for gambling, and
- the Statement of Principles for gambling is approved and implemented

16 BACKGROUND PAPERS

16.1 None

17 APPENDICES:

Appendix 1: Updated Gambling Act 2005 - Statement of Principles

Neil Cox
Director Prevention and Protection