

# Report to Licensing Committee

**2 December 2021**

<b>Subject:</b>	Review of Statement of Principles under the Gambling Act 2005
<b>Director:</b>	Interim Director – Borough Economy Nicholas Austin
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## 1 Recommendations

- 1.1 That the Licensing Committee approves a formal consultation is commenced on a revised statement of principles as required by the Gambling Act 2005.
- 1.2 That subject to approval to recommendation 1.1, the consultation shall be with all relevant stakeholders for a period of 12 weeks.

## 2 Reasons for Recommendations

- 2.1 Sandwell's Gambling Act 2005 statement of principles was implemented in May 2020. The Gambling Act 2005 requires Sandwell Council, as the Licensing Authority, to prepare a statement of principles to be applied when exercising the functions under the Act.
- 2.2 Section 349 of the Gambling Act 2005 (referred to in this Statement as "the Act") requires licensing authorities before each successive three year period, prepare a statement of principles that they propose to apply in exercising their functions under the act during that period and to publish the statement.



2.3 Section 349 of the Act requires that having prepared the statement of principles Licensing authorities should consult upon the reviewed document.

### 3 How does this deliver objectives of the Corporate Plan? (select relevant category and inc narrative how deliver)

	<p>Best start in life for children and young people</p> <p>The licensing objectives of the Gambling Act 2005 are:</p> <ul style="list-style-type: none"><li>• Protecting children and other vulnerable people from being harmed or exploited by gambling.</li><li>• Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime</li><li>• Ensuring that gambling is conducted in a fair and open way</li></ul> <p>The licensing authority is responsible for making sure all licensing applications meet these objectives.</p>
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## 4 Context and Key Issues

4.1 The Licensing Committee is responsible for exercising the powers and duties of the Council with regard to licensing matters under relevant legislation set out in this report.

4.2 Licensing authorities have a legal duty under Section 349 of the Gambling Act 2005 to review their statement and principles and to prepare and publish its statement of principles every three years.

4.3 It is expected that the Licensing Authority will set out its approach to regulation in the statement of principles having taken into account local circumstances.



- 4.4 In exercising the functions under the Act, the licensing authority must have regard to the licensing objectives, namely:
- 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.

- 4.5 The Act provides for 3 categories of licence:
- Operating licences
  - Personal licences
  - Premises licences

The Licensing Authority is responsible under the Gambling Act 2005 for issuing premises licences.

- 4.6 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

- 4.7 The Gambling Commission is responsible under the Gambling Act 2005 for granting operating and personal licences for commercial gambling and people working in the industry as well as. It also regulates certain lottery managers and promoters.

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.

4.8 “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

4.9 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)	32
Club machine permits	8
Adult Gaming Centres	12
Betting Premises Licences	58
Bingo Premises Licences	6
Casino Premises Licences	2
Track Betting Premises Licenses	1
Family Entertainment Centre Premises Licenses	3 Unlicensed FEC*

\*Unlicensed family entertainment centres (UFECs) require a permit from the local licensing authority. An **unlicensed** family entertainment centre is only entitled to make category D machines available. This is reflected by the very light touch form of regulation provided by the UFEC permit.



4.10 The updated Gambling Act 2005 statement of principles has been reviewed whilst keeping in view the impact that Gambling has on the borough's population and economy. The full Gambling statement of principles can be found at Appendix 1. The changes to the statement of principles are shown in red typeface within the document.

4.11 A table providing a summary of the proposed changes made to Gambling Act 2005 statement of principles during the review is provided at Appendix 2.

The proposed changes to the 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.

4.12 The Licensing Authority is required under Section 349 of the Act to publish its Gambling Act 2005 statement of principles before each successive period of three years.

4.13 Section 349 of the Act requires that having prepared the statement of principles Licensing authorities should consult upon the reviewed document with:

- The Police
- Those representing Gambling Businesses
- Those representing the interests of those "likely to be affected" by the exercise of this function

4.14 Following the 12-week consultation period a final version of the revised statement of principles will be produced and brought back before Committee.

4.15 Permission will be sought at that time based on the outcome of the consultation and impact on the statement of principles to proceed to Full Council recommending implementation and publication.



## 5 Alternative Options

- 5.1 There are no alternative options given for consideration. Licensing authorities have a legal duty under Section 349 of the Gambling Act 2005 to review its Statement of Principles under the Gambling Act 2005 every three years.

## 6 Implications

<b>Resources:</b>	There are no direct budget implications from this report. If approved the consultation activity will be undertaken by the General Licensing Team.
<b>Legal and Governance:</b>	<p>Licensing Committee is responsible for the exercising of the powers and duties of the Council, i.e. those matters that are not the responsibility of the Executive/Cabinet, with regards to Gambling, Licensing authorities have a legal duty under Section 349 of the Gambling Act 2005 to review its Statement of Principles under the Gambling Act 2005 every three years.</p> <p>The membership of the Sub Committee is reviewed each year following the appointment of members to the Licensing Committee at the Annual Council Meeting.</p> <p>The Licensing Committee has already delegated the majority of its licensing functions to the Sub Committee and/or Officers.</p>
<b>Risk:</b>	<p>A risk register has been completed with no significant risks identified. Each risk has identified measures identified to manage the risk.</p> <p>The activity undertaken by Licensing Committee seeks to reduce instances of crime and disorder that may impact on residents and visitors of the Sandwell borough.</p>
<b>Equality:</b>	An initial equality screening has been undertaken and no adverse impact on protected groups has been identified.
<b>Health and Wellbeing:</b>	There are no direct health and wellbeing implications arising from this report.
<b>Social Value</b>	There are no direct social value implications arising from this report.



## 7. Appendices

Appendix 1 – Gambling Statement of Principles – Updated October 2021

Appendix 2 – Gambling Act 2005 – Changes to Policy overview Sept 2021

Appendix 3 -Guidance for Premise Licence Applicants

Appendix 4 - Guidance for Making a Representation

## 8. Background Papers

No source or background documents are provided.

