

# Report to Full Licensing Committee

**24 March 2022**

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| <b>Subject:</b>         | Adoption of the reviewed Gambling Act 2005 Statement of Principles  |
| <b>Director:</b>        | Director – Borough Economy – Alice Davey  |
| <b>Contact Officer:</b> | Nicola Plant – Service Manager, Regulatory Services<br><a href="mailto:nicola_plant@sandwell.gov.uk">nicola_plant@sandwell.gov.uk</a> |

## 1 Recommendations

- 1.1 That the Licensing Committee consider the proposed changes to the draft Gambling Act 2005 - Statement of Principles as set out in Appendix 1 and recommend further amendments or additions.
- 1.2 That subject to any changes they recommend the Licensing Committee support the proposal to Council to approve implementation of the revised Gambling Act 2005 - Statement of Principles.

## 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 to 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.



- 2.4 Following approval to consult being given at Licensing Committee on 2 December 2021 consultation on the draft Gambling Act 2005 - Statement of Principles was undertaken over a 12 week period between December 2021 and March 2022.
- 2.5 The draft Statement of Principles at Appendix 1 has been amended informed by the consultation feedback received. There were no significant changes required as a result of the consultation.
- 2.6 The Statement of Principles for Gambling updated in line with consultation feedback is now presented to Committee for further input on proposed changes and to request support that a finalise draft proceeds to approval and implementation.
- 2.7 Following Licensing Committees consideration, the draft Gambling Act 2005, Statement of Principles will be presented to Council on 12 April 2022.

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

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|---|---|
|  | <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> |
|  | <p>People live well and age well</p>  |
|  | <p>Strong resilient communities</p>   |



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|  | Quality homes in thriving neighbourhoods |
|  | A strong and inclusive economy           |
|  | A connected and accessible Sandwell      |

## 4 Context and Key Issues

- 4.1 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.
- 4.2 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.
- 4.3 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.
- 4.4 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.

- 4.5 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

4.6 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 as of 8 March 2022;

| Premises type  | Number            |
|--|-------------------|
| Automatic entitlements (notifications of up to 2 gaming machines in pubs)            | 134               |
| Alcohol licensed premises gaming machine permits (3 or more gaming machines in pubs) | 33                |
| Club machine permits   | 6                 |
| Adult Gaming Centres   | 12                |
| Betting Premises Licences  | 44                |
| Bingo Premises Licences  | 7                 |
| 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 Gambling Act 2005 statement of principles was reviewed and updated as is the Councils responsibility under the Act.
- 4.11 The full Gambling statement of principles has been consulted upon between December 2021 and 4 March 2022.
- 4.12 A table providing an overview of the policy changes that were proposed and consulted upon as well as further proposed amendments in response to the responses received from the consultation is provided at Appendix 2. A total of 4 respondents submitted comments on the proposes statement of principles.
- 4.13 The proposed statement of principles has been updated in view of the comments received and is provided at Appendix 1. The changes made in preparation for consultation are tracked in red tex. The changes made in response to consultation feedback are tracked in green text.



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.

- 4.14 A summary of all of the changes made to the statement of principles during this review cycle is provided at Appendix 3. Those changes made in preparation for consultation are tracked in red text. The changes made in response to consultation feedback are tracked in green text.
- 4.15 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.
- 4.16 The statement of principles at Appendix 1 is now proposed as the finalised revised statement of principles brought back before Committee to seek support for implementation.
- 4.17 Permission will then sought on the revised statement of principles from Full Council on 12 April 2022 to implement and publish the new Gambling Act 2002 Statement of Principles.

## 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

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| <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> | 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, |



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|                              | <p>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>             | <p>An initial equality screening has been undertaken and no adverse impact on protected groups has been identified.</p>   |
| <b>Health and Wellbeing:</b> | <p>There are no direct health and wellbeing implications arising from this report.</p>  |
| <b>Social Value</b>          | <p>There are no direct social value implications arising from this report.</p>  |

## 7. Appendices

Appendix 1 – DRAFT Gambling Statement of Principles proposed for implementation March 22

Appendix 2 - Gambling Act 2005 – overview of changes to Policy following the outcome of consultation

Appendix 3 -Guidance for Premise Licence Applicants

Appendix 4 - Guidance for Making a Representation

## 8. Background Papers

No source or background documents are provided.

