

## **CITY COUNCIL - 11 DECEMBER 2006**

### **REPORT OF THE PORTFOLIO HOLDER FOR ENVIRONMENT, TRANSPORT AND STREET SERVICES**

#### **NOTTINGHAM CITY COUNCIL STATEMENT OF GAMBLING POLICY**

##### **1 SUMMARY**

- 1.1 As a Licensing Authority for the purposes of the Gambling Act 2005, the Council is required to produce and publish a Statement of Gambling Policy (the Statement). A draft Statement was approved for public consultation by Council on 17 July 2006. The proposed final version of the Statement has been circulated separately to members, as Appendix 1, for approval prior to its publication as required by the Gambling Act 2005, as has Appendix 2 which details the views submitted as a result of the consultation period.
- 1.2 The purpose of the Statement is to inform individuals making an application for a licence, of the principles that the Authority will apply in promoting the licensing objectives and delivering the regime within the framework of the legislation and the approved guidance issued by the Gambling Commission under the Act.
- 1.3 This report also asks Council to note the responses to the consultation on the draft policy, formally approve the Statement of Policy and designate the local Safeguarding Children Board for Nottingham City Council as the appropriate body to advise it on matters relating to the protection of children from harm, and to delegate the power to determine certain fees under the Act to the Licensing Committee.

## **2 RECOMMENDATIONS**

2.1 It is RECOMMENDED that Council:-

- (i) notes the feedback from the consultation process and from officers;
- (ii) has regard to the recommendation of the Executive Board and resolves pursuant to section 166 of the Gambling Act 2005 and, with effect from the First Appointed Day that Part 8 of the Gambling Act 2005 comes into force, that no casino licences will be issued within the administrative area of the City of Nottingham;
- (iii) designates the Safeguarding Children Board for Nottingham City Council as the appropriate body to advise it on the protection of children from harm;
- (iv) has regard to the recommendation of the Executive Board and adopts the Statement of Gambling Policy, and authorises the Director of City Development to comply with the relevant statutory requirements in respect of the advertisement and publication of the Statement;
- (v) delegates the power of the Authority to set fees levels and all other functions and powers under the Act which are not specifically reserved to Council or the Licensing Committee, to that Committee.

## **3 BACKGROUND**

3.1 Section 349 of the Gambling Act 2005 requires an Authority to prepare, consult widely upon and publish a Statement of its Gambling Policy every three years. Such a statement must be published before the Authority carries out any function in respect of individual applications made under the terms of the Act. The Secretary of State has by Order defined the first day of

the initial three-year period as being 31<sup>st</sup> January 2007. To comply with statutory procedure the Statement must be published and advertised by 2<sup>nd</sup> January 2007. During the three-year period, the statement must be kept under review and the authority may make such revisions to it as it considers appropriate. The Statement is a matter which is not the sole responsibility of the Executive and only the Licensing Authority (full Council) can adopt, review, and revise it. The recommended Statement of Policy has been circulated separately to members as Appendix 1.

- 3.3 The Authority's draft Statement was put out to public consultation in accordance with the statutory requirements between 24<sup>th</sup> July and 15<sup>th</sup> October 2006. The views of those consulted are shown in appendix 2 and these should be given appropriate weight when the content of the Statement is finally determined.
- 3.4 At its meeting on 21 November 2006 the Executive Board considered the matter of the adoption of a resolution under s166 Gambling Act 2005 which allows full Council to adopt a "No casinos" resolution. Members agreed to recommend to Council that it adopts such a resolution on the basis of those matters outlined in appendix 3 of the Statement. It should be noted however that such a resolution will **not** apply to those casinos which are entitled to licences under the transitional provisions of the Act. There appears to be the potential for up to 8 Casinos to be able to qualify for licences under these provisions though all appear to be smaller than even the "Small Casino" category prescribed by the Act.
- 3.5 There were a small number of consultation responses which could be interpreted as supporting the adoption of a "No Casino" resolution however, S175 of the Act places a statutory limit on the number of new Casino Licenses which can be granted nationally. It also states that the Secretary of State shall specify which Authorities

may issue such licences and prohibits applications for new licenses being made to other Authorities. As this Authority has not bid for one of the new licences, applicants will therefore be prohibited from applying to this authority for a new Casino Licence in any event.

- 3.6 Whilst the Secretary of State can increase the number of Casino Licences available by way of Order, so long as this Authority did not bid for such additional licences, and was not prescribed by an Order as an authority which could grant such licences, applicants would remain prohibited from making Casino Licence applications to the City Council unless there was an amendment to the Gambling Act itself. It is not anticipated that any further casinos will be permitted nationally under such an order until the Government review the position with the 17 larger 'new' casinos. This is expected to be no sooner than in 5 year's time.
- 3.7 Members should therefore consider whether they feel that it is necessary and appropriate to pass such a resolution and include it in the Statement of Policy at this time.
- 3.8 The Authority may designate in writing a body which it feels appropriate to advise it on issues about the protection of children from harm. This body then becomes a responsible authority for the purposes of the Act. The Local Safeguarding Children Board for Nottingham City Council already acts in a similar capacity for applications under the Licensing Act 2003 and because of this and the Board's status in law to take action in respect of the protection of children from harm, it is recommended that the Board be the designated body for the purposes of the Gambling Act. This recommendation was also supported by the Executive Board.

3.9 The power to prescribe certain fees vests with the Licensing Authority (Council) as opposed to the Licensing Committee, however, this function can be delegated. Whilst a majority of fees may be prescribed by legislation, the bands within which the discretionary fee levels must be set are yet to be announced. It is therefore felt appropriate that the power to set fee levels, where they are not prescribed, should be delegated to the Licensing Committee, (which may in turn choose to delegate to Officers if it feels appropriate), in order that an expeditious decision can be reached on such matters. This recommendation was also supported by the Executive Board.

3.10 The Statement indicates that in connection with child protection issues involving Prize Gaming and Family Entertainment Centres, regard will be had to relevant convictions. The offences that are regarded as relevant under the Act, and which trigger the Courts to consider forfeiture of the licence, are those in schedule 7 of the Act. The offences are all relevant to the licensing objectives; officers consider it appropriate that these offences should be considered relevant for the purposes of Family Entertainment Centres and prize gaming applications made to the Authority. The Statement has been amended accordingly to reflect this matter. Applicants will be required to provide an Enhanced Criminal Record Check as part of their application to demonstrate that they are free of relevant convictions. The Police will make the necessary checks on the submitted application and will be able to make representation to the Authority in appropriate cases.

#### **4 FORM AND CONTENT OF THE POLICY**

4.1 The proposed Statement for approval is set out in Appendix 1.

- 4.2 A summary of the consultation responses and any proposed alterations to the draft Statement thought necessary as a result can be found in Appendix 2.
- 4.3 The supporting reasons for the No Casino resolution are shown at appendix 3 of the Statement should members choose to adopt a resolution.

## **5 FINANCIAL IMPLICATIONS**

- 5.1 Members will be aware that the Secretary of State will establish fee levels, which, it is claimed, will provide full cost recovery of all licensing functions including the preparation and publication of the Statement of Policy, based on the minimum standard requirements contained in the approved guidance.
- 5.2 The Government has consulted on the proposed fee level the results of which are yet to be announced. Advertising and publication costs in connection with the Policy will be met from within the current licensing budget.

## **6 OBSERVATIONS OF THE RESPONSIBLE FINANCIAL OFFICER**

- 6.1 The financial position in relation to licensing activities that will be passed to the City Council under the Act is currently unclear. Licence fees will be set by regulation by Government although there are indications that some fees may be set by the Authority at a full cost-recovery level. The Department for Culture, Media and Sport has are currently consulting authorities on fees for licenses and permits.
- 6.2 It is anticipated that the workload generated by new licensing activities under the Gambling Act 2005 can be contained by retaining 2 staff employed on 2 year fixed term contracts for the implementation of Liquor Licensing. The costs of the 2 posts are as follows:-

	£
Assistant Licensing Officer – scale 5/6	24,778
Licensing Assistant	21,967
<b>TOTAL</b>	<b>46,745</b>

6.3 It is anticipated that these costs will be covered by licensing fees, but this will not be known until fee levels are announced.

## **7 LEGAL IMPLICATIONS**

To comply with statutory duties and timescales a statement of Gambling Policy must be adopted by this meeting of Council. The recommendations in this report are considered to be an appropriate exercise of the Council's duties and powers under the Act.

## **8 CORPORATE OBJECTIVES**

The Council is working closely with its partners and stakeholders through the Licensing Forum and Gambling Steering Group to develop a system that will eventually be implemented, sharing where possible the alcohol framework to achieve best value standards and to implement a transparent process of licence determination. By ensuring that such groups are included in the development of the licensing function, we are working to meet the corporate values and aims of working with our partners and customers, encouraging local people to get involved and listening to our customers to ensure that we address their needs within the relevant statutory framework.

## **9 BEST VALUE**

Through enacting the Gambling regime the Government aims to reduce unnecessary bureaucracy and costs in delivering the licensing function. The system that has been developed by the Council to operate the licensing

regime will meet both the Government's and Gambling Commission's aim and will make the Council more accountable to its citizens for the licensing decisions it makes.

**10 CRIME AND DISORDER IMPLICATIONS**

The gambling function is an opportunity for the City Council to work in partnership with the Police to reduce the risk of crime and disorder associated with gambling having regard to the effect of the proposals on customers, residents and businesses.

**11 List of background papers other than published works or those disclosing confidential or exempt information**

None

**12 Published documents referred to in compiling this report**

Guidance to Licensing Authorities April 2006.

LACORS Gambling Policy Template.

Gambling Act 2005.

Gambling Commission Guidance to Licensing Authorities  
Report of Corporate Director of City Development to Executive Board dated 21 November 2006 and minutes of that meeting.

Report of Corporate Director of City Development to Licensing Committee dated 27 November 2006 and minutes of that meeting.

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