

Report

Council

Part 1

Date: 27 November 2018

Subject **Gambling Act 2005 – Statement of Principles**

Purpose To seek approval and adoption of the revised Gambling Act 2005 Council Statement of Principles.

Author Licensing Manager

Ward City Wide

Summary The Gambling Act 2005 became fully implemented on 1 September 2007 and it created a new system of licensing and regulation for commercial gambling. It requires the Council to prepare and publish a Statement of Principles for each successive period of three years, which outlines the principles that the Council will apply in exercising its functions as the Licensing Authority under the Act. The draft revisions to the Statement included in this report have been produced in accordance with Regulations and the Gambling Commission's Guidance to Licensing Authorities. Statutory consultation must take place prior to the Statement of Principles being determined by full Council. This consultation ran from the 8th October 2018 to 9th November 2018.

Proposal That Council approves and adopts the revised 2019 Statement of Principals under the Gambling Act 2005.

Action by Head of Law and Regulation

Timetable Immediate

This report was prepared after consultation with:

- Head of Finance
- Head of People and Business Change
- Head of Law and Regulation

Signed

1. Background

The Gambling Act 2005 came into effect on 1 September 2007. It created a new system of licensing and regulation for commercial gambling in this country. Amongst other changes, it has given Local Authorities new and extended responsibilities for licensing premises for gambling, some of which were transferred to the Local Authorities from the local licensing justices.

The Act gives Licensing Authorities a number of important regulatory functions in relation to gambling. Their main functions are to:

- license premises for gambling activities;
- consider notices given for the temporary use of premises for gambling;
- grant permits for gaming and gaming machines in clubs and miners' welfare institutes;
- 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 occasional use notices for betting at tracks; and
- register small societies' lotteries

1.1. In addition, Section 349 of the Gambling Act 2005 requires that the Council prepares and publishes a Statement of Principles that it proposes to apply in exercising its function under the Act, before each successive period of three years. The existing Statement of Principles in respect of the Gambling Act 2005 was adopted by the Council 14 January 2016 and it is therefore necessary for the Council to prepare its fourth Statement of Gambling Principles for the next three year period.

1.2. To help the process, the Act requires the Gambling Commission to issue statutory guidance to Licensing Authorities on the manner in which they are to exercise their functions under the Act and the principles to be applied by them in exercising those functions. Licensing Authorities are required to take account of all such guidance. The statutory guidance is designed to ensure the spread of best practice and consistency of approach in decision making amongst licensing authorities, whilst not preventing authorities from properly exercising the discretion they have to take account of appropriate and relevant local issues and factors.

1.3. The Statement of Principles must be formulated in accordance with Regulations and Guidance issued by the Gambling Commission. Final approval of the policy must be made by the full Council and the policy must be in place by 14 January 2019. A copy of the draft Statement of Principles is found in Appendix A of this report.

2. Statement of Principles

2.1 During the time that the existing Statement of Principles have been in operation, they have proved extremely satisfactory and have guided applicants, officers, and the Licensing Committee, in the consideration and determination of applications. There have been no challenges made of any of the policies in the document during the period.

2.2 As there have been no changes to the Gambling Act 2005 the majority of the contents of the Policy remains unchanged. Those Changes that have been made simply reflect changes to Gambling Commission’s Guidance/Code of Practice. This includes giving clear guidance on what the Council expects applicants and licence holders to include in their local risk assessment and guidance of what the Council will have regard to when considering the suitability of a location of a gambling premises.

2.3 A copy of the draft Statement of Principles can be found in Appendix A of this report, where the changes have been made to the policy these changes are highlighted in red.

3 Consultations

3.1 A formal consultation ran from the 8th October 2018 to 9th November 2018. It was advertised on the Council Website and a letter was also sent to the following Trade Associations, Licence holders and charities.

- The Gambling Commission,
- Gamblers Anonymous,
- Gamcare,
- The British Gambling Association,
- British Greyhound Racing Board,
- The Jockey Club, Association of British Bookmakers Ltd,
- Gwent Police,
- South Wales Fire Authority,
- Responsible Authorities under the Gambling Act,
- Local Safeguarding Children Board;
- HM Revenue and Customs ,
- Newport Citizens Advice , (Gambling Support Service),
- Health Board (Aneurin Bevan Gwent Public Health Team) ,
- Gambling Harm Wales
- and all Licensed operators within Newport.

3.2 Further to the consultation the authority received two comments, though no objections to the draft policy. These where from Gamcare and the Aneurin Bevan Gwent Public Health team, details of which can be found in Appendix B of the report.

4. Financial Summary

4.1 There are no financial implications contained in this report. The revision of the Statement of Gambling Principles is a statutory function. The costs in carrying out the revision, including the consultation process, will be covered by the Gambling Act 2005 fees. There will be no income generated by the revision of the policy.

5 Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
The Statement of Principles is not put in place as required by statute	H	L	Consultation has been completed in time to allow the revised Statement to be finalised and approved by Full Council by the legal deadline.	Licensing Manager & Regulatory Services Manager Commercial Standards.

6 Links to Council Policies and Priorities

Ensuring that an appropriate Statement of Principles is in place as required by statute will support the following Council Policies and Strategies:

Newport City Council's Corporate Plan 2017-2022 (Building on Success, Building a Better Newport)

7 Options Available and considered

Option 1: To approve the revised Statement of Principles under the Gambling Act 2005.

Option 2: Not to approve the revised Statement of Principles.

8 Preferred Option and Why

Option 1: To approve the revised Statement of Principles under the Gambling Act 2005. - This will ensure that the Council fulfils its duty as the Licensing Authority to have the Policy in place by the appointed day.

Comments of Chief Financial Officer

There are no financial implications arising from amending the Gambling Statement of Principles.

9. Comments of Monitoring Officer

The proposed revised Statement of Principles complies with the Council's statutory duty under Section 349 of the Gambling Act 2005 and reflects the Regulations and Guidance issued by the Gambling Commission. The Council is required to review the current Statement of Principles within 3 years and, where amendments are proposed, to undertake a period of further statutory consultation. The revised draft document proposes amendments to the current Statement to reflect recent changes to the Licensing Conditions and Code of Practice issued by the Gambling Commission. The proposed amendments have been the subject of statutory consultation, with no adverse comment or objections. As with the Council's Statement of Licensing policy, the final Statement of Gambling Principles need to be approved and adopted by Full Council, as this forms part of the Council's policy framework

9.1 Comments of Head of People and Business Change

The Council's Gambling Act Statement of Principles and, in particular, the proposed amendments are in line with the Council's own well-being objectives and with the Newport Offer and Strong Resilient Communities interventions in Newport's Well-being Plan: the statement recognises that responsible gambling can be a source of leisure and can boost the local economy through attracting visitors, especially alongside sporting events, but that gambling can also be addictive and have negative consequences on local communities.

A number of the proposed amendments strengthen the emphasis on preventing negative impacts on individuals and communities, including identifying a range of issues that operators should consider in undertaking local risk assessments. The Statement recognises the importance of partnership working in achieving the Council's licensing objectives and notes that the Council will continue to work with

neighbouring authorities, members of One Newport Public Services Board (notably Gwent Police, Public Health Wales and Aneurin Bevan University Health Board), local businesses, local people and those involved in child protection.

The proposed consultation will be important for involving stakeholders and residents groups in the development of the Statement of Principles and is in line with the Well-being of Future Generations Act as well as the Gambling Act 2005.

9.2 Equalities Impact Assessment and the Equalities Act 2010

No Equalities Impact Assessment is necessary in this case.

The proposals set out in this report have no more impact on those with protected characteristics than any other group or individual.

9.3 Children and Families (Wales) Measure

The proposals set out in this report are not relevant to the aims of the Children and Families (Wales) Measure.

9.4 Wellbeing of Future Generations (Wales) Act 2015

The proposals set out in the report to be consulted on would contribute to a number of the Well-being Goals set out in the Wellbeing of Future Generations (Wales) Act 2015

The Policy has been formed to:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime; **(Long term & Prevention)**
- Ensuring that gambling is conducted in a fair and open way; **Long term & Prevention)**
- Protecting children and other vulnerable persons from being harmed or exploited by gambling. **(Prevention)**
- The policy will go out for public consultation allowing input from relevant persons and organisations ensuring the policy is undertaken in collaboration but allows involvement. **(Collaboration & Involvement)**

9.5 Crime and Disorder Act 1998

One of three fundamental objectives under the Gambling Act 2005 is to prevent gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.

Background Papers

Gambling Act 2005:

<http://www.legislation.gov.uk/ukpga/2005/19/contents>

Guidance to Licensing Authorities

<https://www.gamblingcommission.gov.uk/home.aspx>

Newport City Council Statement of Policy 2016

<http://www.newport.gov.uk/en/Business/Licences--permits/Gambling/Gambling-licences.aspx>

Appendix A

A: Draft Gambling Act 2005 Revised Statement of Principles 2019

Appendix B

Representations

The Aneurin Bevan Gwent Public Health Board

The Aneurin Bevan Gwent Public Health team support this very comprehensive Statement, but would recommend the strengthening of a certain sections within the Statement, as detailed below:

Location of premises and conducting risk assessments (Section 2.4 'Location', pages 16 and Section 6 'Risk Assessment – premises', pages 43):

The Welsh Government Chief Medical Officer (CMO) for Wales's Annual Report 2016/17: 'Gambling with our Health' cited the following key messages:

- The proximity to gambling facilities correlates with increased participation in gambling
- The density of gambling outlets is linked with greater gambling-related harm
- The greatest problems and harms from gambling are experienced by the poorest of our society, with those members of the public living in low income households spending a higher proportion of their income on gambling, betting more than they can afford and experiencing financial problems as a result of gambling
- The location of gambling venues is not random, with a greater clustering of gambling facilities in areas of social deprivation.

The Aneurin Bevan Gwent Public Health Team support the inclusion of the Newport City County Council's intention, detailed within the Statement, that *"should any specific policy be decided upon as regards areas where gambling premises should not be located the Statement will be updated"*.

The Aneurin Bevan Gwent Public Health Team welcome the development of such a policy. We would recommend that until this policy is developed, and the Statement updated, the primary consideration of any new gambling premise application should be the geographical location of the premise.

Recommendation 1: We recommend that 'location of the premise' is clearly specified in the Statement as the primary consideration of any new gambling licence, until the location policy is developed, and Statement updated. In particular:

- (i) is the premise located in an area of deprivation?
- (ii) AND is the premise located within an existing clustering of gambling premises?

Licensing Objective – protection of Children and other vulnerable persons from being harmed or exploited by gambling (see Section 2.6)

The Aneurin Bevan Gwent Public Health team recognise that consumer protection from gambling related harm to the individual, their family, friends and community is the responsibility of licensing authorities, supported by local partners and gambling operators.

Evidence indicates that there are a number of identifiable groups within the population who are more vulnerable to gambling related harm, including young people. Details of these groups are outlined in the CMO's Annual Report 2016/17 and in the report prepared for the Gambling Commission by the NatCent Social Research in 2017: 'Gambling behaviour in Great Britain in 2015 Evidence from England, Scotland and Wales'.

Therefore, in addition to prioritising the geographical location of gambling premises, based on social deprivation and density of gambling premises (as detailed in the recommendation above), we request that reference is made

to environmental conditions which increase the likelihood of gambling related harm. The Aneurin Bevan Gwent Public Health team acknowledge that some of these venues are already listed in the Statement, but recommend that local partners work together to identify a list of environmental conditions/specific local premises, after considering the findings from national reports of groups vulnerable to gambling related harm, in addition to local intelligence. This information could be included within the location policy (which we support the development of) and/or as an appendix.

Recommendation 2: Until a full list of local environmental conditions is identified and the Statement updated, the Aneurin Bevan Gwent Public Health team recommend that the following wording is included in the current Statement as a priority:

“The consideration of the proximity of gambling premises to locations where groups vulnerable to problematic gambling may congregate, e.g. schools, alcohol services, supported housing, will be a priority for the applicant and licensing authority”.

The Statement could also include the wording: ‘A list of these vulnerable groups can be found in Appendix X’ if time allowed prior to publishing the Statement. The Aneurin Bevan Gwent Public Health team will be able to provide partners with a list of groups vulnerable to gambling related harm based on published national research, and advise on the process of identifying the locations they may congregate.

The co-occurrence of alcohol and gambling is well documented and referenced in key national documents (including the CMOs Annual Report and several Gambling Commission briefing papers).

Recommendation 3: The Aneurin Bevan Gwent Public Health team recommend that the consideration of the location of alcohol licensed premises plays a greater role when considering gambling applications, and that the ‘location of premises licensed to sell/supply alcohol’ be specified in the Statement as a key consideration for gambling licence applications.

Procedures for identifying customers who are at risk of gambling (section 2.1, page 11 and section 2.6 p17)

The Aneurin Bevan Gwent Public Health team welcomes the inclusion of staff training within the Statement, but would like to see this section strengthened.

Recommendation 4: The Aneurin Bevan Gwent Public Health team recommends that information in the Statement includes additional training content which is standardised and regularly reviewed/updated. The content should be extended to include learner knowledge of:

- the risks of gambling related harm
- how to identify problematic gamblers
- where to signpost people for support

These learning outcomes will be in addition to the already documented training content: *“procedures for identifying customers who are at risk”* (page 19). Training is available locally from Newport Citizens Advice Bureau (CAB) as well as from GambleAware.

Recommendation 5: The Aneurin Bevan Gwent Public Health team recommend that the Statement includes a proviso that all gambling premises clearly promote **local** and national support services – in particular Newport CAB Gambling Support Services and GambleAware.

Prepared by: Jackie Williams, Senior Health Promotion Specialist, on behalf of Dr Arif Mahmood, Consultant in Public Health – Aneurin Bevan Gwent Public Health Team

Gamecare representation

Hello,

Thank you for your letter regarding the above consultation, we appreciate your interest in our work.

While we do not have the resources available to allow us to personally respond to each Local Authority which contacts us regarding their refreshed Statement of Principles, we have compiled a list of the issues or factors which we think it would be helpful to consider below, more information is available via the [Gambling Commission](#).

The function of the Statement is to reflect locally specific gambling concerns and to reflect the Council's wider strategic objectives. The active use of the Statement is one means by which you can make clear your expectations of gambling operators who have premises in your area. This allows operators to respond to locally specific requirements and adjust their own policies and procedures as required.

- A helpful first step is to develop a risk map of your local area so that you are aware of both potential and actual risks around gambling venues. A useful explanation of area-based risk-mapping has been developed with Westminster and Manchester City Councils, which gives some guidance on those who may be most vulnerable or at-risk of gambling-related harm. For more information please see www.geofutures.com/research-2/gambling-related-harm-how-local-space-shapes-our-understanding-of-risk/
- Consider that proposals for new gambling premises which are near hostels or other accommodation or centres catering for vulnerable people, including those with learning difficulties, and those with gambling / alcohol / drug abuse problems, as likely to adversely affect the licensing objectives set out by the Gambling Commission. This is also relevant regarding the proximity to schools, colleges and universities.
- A detailed local risk assessment at each gambling venue – pertinent to the environment immediately surrounding the premises as well as the wider local area – is a good way to gauge whether the operator and staff teams are fully aware of the challenges present in the local area and can help reassure the Local Licensing Authority that appropriate mitigations are in place.
- Does the operator have a specific training programme for staff to ensure that they are able to identify children and other vulnerable people, and take appropriate action to ensure they are not able to access the premises or are supported appropriately?
- Does the operator ensure that there is an adequate number of staff and managers are on the premises at key points throughout the day? This may be particularly relevant for premises situated nearby schools / colleges / universities, and/or pubs, bars and clubs.
- Consider whether the layout, lighting and fitting out of the premises have been designed so as not to attract children and other vulnerable persons who might be harmed or exploited by gambling.
- Consider whether any promotional material associated with the premises could encourage the use of the premises by children or young people if they are not legally allowed to do so.

We would suggest that the Local Licensing Authority primarily consider applications from [GamCare Certified operators](#). GamCare Certification is a voluntary process comprising an independent audit assessment of an operator's player protection measures and social responsibility standards, policy and practice. Standards are measured in accordance with the GamCare Player Protection Code of Practice. If you would like more information on how our audit can support Local Licensing Authorities, please contact mike.kenward@gamcare.org.uk

For more information on GamCare training and other services available to local authorities, as well as recommended training for gambling operators, please see the attached brochures.

If there is anything else we can assist with please do let us know.

Kind regards,

Catherine

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