



LICENSING AND APPEALS COMMITTEE 8 DECEMBER 2004

Report of the Director of Corporate Services

The Gambling Bill

RECOMMENDATION

1. To note the current central government proposals and its implications for the Council.

SUPPORTING INFORMATION

- 2.1 The Gambling Bill was introduced to the House of Commons on 18 October 2004. It is expected to receive Royal Assent in the spring of 2005. Its express purpose is to modernise the various gambling laws to take advantage of technological advancements while ensuring that gambling becomes acceptable as a leisure pursuit.
- 2.2 Under the general definition of 'gambling', the bill covers activities as diverse as gaming, a game of chance, equal chance gaming, casinos, betting (including pools betting) and lotteries. It covers these aspects of gambling in both their traditional senses as well as taking account of developments in remote gambling. This is gambling that relies upon any form of remote communication and includes internet, telephone, radio and television or gambling with the aid of or via any other electronic or technological aids.
- 2.3 The principal aims of the bill are set out in three licensing objectives, namely:
 - Preventing gambling from being a source of crime and disorder, being associated with crime and disorder or being used to support crime;
 - Ensuring that gambling is conducted in a fair and open manner;
 - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 2.4 The bill vests responsibility for the new gambling powers in two public bodies – local authorities and a new Gambling Commission.
- 2.5 It is intended that the Council will be responsible for the licensing of premises and the issue of permits. This will be done by issuing *premises licences*. General, mandatory and/or default conditions can

be imposed on the grant of licences and the Council will also be responsible for ensuring that any such conditions imposed are upheld.

- 2.6 The Gambling Commission will act as a gambling regulator and will also be responsible for awarding licences to those wishing to provide gambling facilities or are involved in the running of company's involved in gambling, or which may directly influence gambling results. They will do this by issuing *operating licences*.
- 2.7 It is advocated that adequate systems will be built into the new structure that ensures the transfer between local authorities, the Gambling Commission, the police, Customs and Excise and other stakeholders of relevant information that is required to assist with the determination of applications.
- 2.8 Before undertaking the functions detailed in paragraph 2.5, the Council must publish a licensing policy, which it must consult relevant stakeholders upon. The policy will set out the Council's proposals for discharging its licensing functions. The bill advocates that the policy could resolve to not allow any more casinos in the authorities area. The policy must be reviewed at least once every three years.
- 2.9 The determination of applications for premises licences will involve a hearing where relevant representations have been received in writing from interested parties and responsible authorities in respect of the application, or where the Council proposes that conditions should be imposed on the grant of the licence, unless each of those parties give their consent to a hearing not taking place or the Council determines that the representation is vexatious, frivolous or will not influence its determination of the application. Any decisions however made must be in accordance with any relevant codes of practice issued by the Secretary of State, any guidance issued by the Gambling Commission, the Council's own licensing statement and the three licensing objectives detailed in paragraph 2.3.
- 2.10 The bill advocates that the exercise of the licensing functions by the Council will be undertaken by the same licensing committee constituted to undertake the licensing authority function pursuant to the Licensing Act 2003. Licensing authorities may delegate the setting of fees (see the next paragraph) to its licensing committee. They may not however delegate to licensing committees certain functions namely, the determination of a casino licensing policy (see paragraph 2.8 earlier) or the three yearly reviewable licensing policy.
- 2.11 A fee will be chargeable in respect of all premises licence and permit applications. The fees will allow for cost recovery of the licensing process and any associated monitoring and enforcement of licensing conditions by the Council. Start up costs for the transition to the new regime will not however be recoverable through the fee structure, the governments thinking on this being that a settlement to take account of

this has already been provided for in the revenue support grants for the administrative years 2004/05 and 2005/06.

- 2.12 The fee will not be fixed. It is expected that the Secretary of State will set bands of fees from within which individual authorities can set precise fees. It is advocated that authorities that attain excellent status rating in Audit Commission Comprehensive Performance Assessments will be allowed even greater freedom to depart from the Secretary of States fee structure and set their own fees.

For more information contact:	Mr. O. O. Idowu 01332 255675 e-mail olu.idowu@derby.gov.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

- 1.1 There will be a financial burden on the Council particularly in the build up to and during the transition from the current to the new regime.
- 1.2 Existing licensing officers, members and legal and administrative staff will need to be trained on the requirements of the new scheme prior to the powers vesting in the Council. Where additional staffing resources are identified as critical to the success of the new scheme, there will also be the cost of recruitment to those posts. To these should also be added the cost of additional hardware and software, the work involved in the physical transfer of existing records from the magistrates' to the Council as well as the cost involved in producing, consulting and reviewing the three year licensing policy statement.
- 1.3 None of these costs will be subsidised by central government.

Legal

- 2.1 The Council must ensure that its licensing policy statement on gambling is drafted, consulted upon and is in place by the date which the Secretary of State will shortly stipulate as the operative date for the coming into effect of the new scheme.
- 2.2 Without a policy in place, the Council will be unable to undertake the statutory duties that the bill vests in it.

Personnel

- 3.1 As detailed at paragraph 1 of this appendix, there are likely to be staffing implications from the implementation of the scheme. This will affect all sections of the Council that will play a part in the administration of the new scheme including the Licensing Team, Legal Services and Committee Administration.
- 3.2 Each of these sections will need to be geared up to react to the transfer of responsibilities.

Equalities Impact

- 4. One of the aims of the new gaming proposals is to ensure that gambling is conducted in a fair and open manner. The licensing policy that the Council produces should promote the principles of fairness, openness and equality throughout.

Corporate Objectives and Priorities for Change

- 5.1 The new gaming proposals contribute to the Council's objectives of **protecting and supporting people, a healthy environment** and making Derby a city of **shops, commercial and leisure activities**.
- 5.2 The new gaming proposals further the Council's priorities of **promoting the City as a centre for industry, commerce, culture and tourism, improving management for the City and district centres** and **improving customer service**.