

# Report



## Cabinet Member for Licensing & Regulation

### Part 1

Date:

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

**Purpose** The purpose of this report is to consult with the Cabinet Member on the proposed amendments to the Council's Statement of Principles required under the Gambling Act 2005 and to obtain authorisation to commence the necessary consultation process

**Author** Licensing Manager

**Ward** All

**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.

**Proposal** That the Cabinet Member approves the proposed amendments to the Council's Statement of Principles required under the Gambling Act 2005 and authorises the commencement of the required consultation process; to commence as soon as is practicable.

**Action by** Head of Law and Regulation

**Timetable** As soon as is practicable

This report was prepared after consultation with:

- Head of Finance
- Head of People and Business Change

- Head of Law & Regulation

## Signed

### Background

- 1.1. The Gambling Act 2005 came fully in to effect on 1 September 2007. It created a new system of licensing and regulation for commercial gambling. 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.
- 1.2. 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
- 1.3. 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 January 2019 and it is therefore necessary for the Council to prepare its Fifth Statement of Gambling Principles for the next three year period January 2022 to January 2025.
- 1.4. 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.
- 1.5. 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<sup>th</sup> January 2022.

## **2 Statement of Principles**

Since its publication in January 2019, the current statement of principles has proved effective in guiding officers, Members, the holders of licences and other authorisations granted under the Gambling Act 2005, plus members of the public in understanding how the Authority will apply its discretion and use its powers under the Act. It is therefore not considered necessary to greatly change the information contained in the current statement of principles.

Additionally, the Government is currently undertaking a review of the Gambling Act 2005 with a view to ensuring that the regulatory framework is fit for purpose within the digital age and can continue to meet its aims of protecting children and vulnerable people, prevent gambling related crime, and keep gambling fair and open.

The Government's stated-objectives of the review are to:

Examine whether changes are needed to the system of gambling regulation in Great Britain to reflect changes to the gambling landscape since 2005, particularly due to technological advances

Ensure there is an appropriate balance between consumer freedoms and choice on the one hand, and prevention of harm to vulnerable groups and wider communities on the other

Make sure customers are suitably protected whenever and wherever they are gambling, and that there is an equitable approach to the regulation of the online and the land based industries

A white paper is expected later this year which may result in legislative changes that will require a further, more comprehensive review of the statement of principles in the near future but this will not avoid the statutory requirement to now review and publish a statement of principles for the next three-year period that will commence on 31 January 2022.

A copy of the draft Statement of Principles can be found in Appendix A of this report, no changes have been made to the policy other than changing of dates.

## **3**

### **Financial Summary**

- There are no costs or financial implications relating to this proposal.

## Risks

You will need to complete the following Risk table

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 to be completed in good time to allow the revised Statement to be finalised on time.	Licensing Manager & Regulatory Services Manager Commercial Standards.

## 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)

## Options Available and considered

1. To approve the proposed minor amendments to the Statement of Principles and to authorise the commencement of the consultation process
2. Not to approve the proposed amendments to the Statement of Principles and not to authorise the commencement of the consultation process

## Preferred Option and Why

As detailed in the report, there is an extensive consultation process to be carried out in respect of the Policy. Not approving the proposed amendments would delay the initiation of the consultation process and could result in the Council's Policy not being in place by the appointed day, 31<sup>st</sup> January 2022, and this would have wide ranging implications.

- **To approve the proposed amendments to the Statement of Principles and to authorise the commencement of the consultation process**

This would permit the process of consultation to commence without delay and will ensure that the Council fulfil their duty as the Licensing Authority, to have the Policy in place by the appointed day.

## Preferred Option

- **To approve the proposed minor amendments to the Statement of Principles and to authorise the commencement of the consultation process**

## **Comments of Chief Financial Officer**

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

## **Comments of Monitoring Officer**

Comments of the Monitoring Officer

The draft 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 has a duty under the Gambling Act to prepare and publish a Statement of Principles that it proposes to apply in exercising its function under the Act and to review that Statement every three years. The current Statement was adopted in January 2019 and will, therefore, need to be reviewed and re-adopted prior to January 2022. There are no substantive changes proposed and the new Statement has just been updated to reflect changes to Gambling Commission's Guidance/Code of Practice and includes additional guidance to applicants on local risk assessments the suitability of locations for gambling premises. However, the Council is required to consult with the public and key stakeholders before adopting the revised Statement. Therefore, the Cabinet Member is being asked to approve this draft Statement for consultation purposes and consider any representations received, before recommending the Statement of Principles to full Council for approval prior to 14 January 2022.

**Gareth Price**

## **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.

There are no HR implications arising directly from this report.

## **Scrutiny Committees**

No consultation with Scrutiny Committees has been undertaken or is proposed.

## **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.

## **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.

## **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)**

## **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.

## **Consultation**

Section 349 of the Gambling Act 2005 provides that in preparing a revision of the statement of principles, the Authority shall consult with:

- The chief officer of police for the Authority's area;
- one or more persons who appear to the Authority to represent the interests of persons carrying on gambling businesses in the Authority's area; and
- one or more persons who appear to the Authority to represent the interests of persons who are likely to be affected by the exercise of the Authority's functions under this Act.

The Gambling Commission guidance explains that this is “*deliberately wide*” as it allows “*Licensing Authorities to undertake a comprehensive consultation exercise with anyone who may be affected by or otherwise have an interest in their statement of policy*”.

The Guidance further provides that “*It is a matter for licensing authorities to develop their own consultation practices, including the methods for consultation and who they consider it necessary to consult with, which might include consultation with relevant local groups, business and responsible authorities.*”

It is proposed that the consultation process should follow a similar format to previous years and as minimal changes are proposed to the existing statement of principles, the duration of the consultation will be 8 weeks. This will include:

- Formal notification to the Chief of Police, as specifically required under the Gambling Act 2005;

Written notification to

- .Responsible Authorities under the Act, and
- .Local gambling businesses, including their head office where appropriate;
- Formal consultation via the Local Authority website to allow local residents, community groups, businesses and others to respond;
- Consultation with other departments in respect of local risk assessments; and
- Social media and other avenues will be used to publicise the consultation.

## **Background Papers**

Proposed Statement of Principles  
[Attached]

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 2019

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

Dated: