## CAMBRIDGE CITY COUNCIL

REPORT OF: Yvonne O' Donnell

**Environmental Health Manager** 

TO: Licensing Committee 21 March 2016

WARDS: All

# UPDATE TO THE STATEMENT OF GAMBLING PRINCIPLES (GAMBLING ACT 2005)

#### 1 INTRODUCTION

- 1.1 Cambridge City Council, as the Licensing Authority, is required to discharge its responsibilities under the Gambling Act 2005 with a view to promoting the three 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; and;
  - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 1.2 A public consultation on the updated Statement of Principles under the Gambling Act 2005 was undertaken from 3<sup>rd</sup> July 2015 to 3<sup>rd</sup> September 2015. The updated Statement was approved at Licensing Committee on 12<sup>th</sup> October 2015 and Full Council on 22<sup>nd</sup> October 2015.
- 1.3 Given the extensive, detailed research that would be required to produce and consult on a Local Area Profile, officers undertook a 'light touch' review of the Statement of Principles in 2015, to ensure legal compliance, with a view to a far more in depth review and a revised Statement being produced by April 2016.
- 1.4 Work has subsequently been carried out by Officers in order to develop a Local Area Profile, Local Gambling Risk Assessment Guidance and Risk Assessment Template which forms part of the Gambling Statement of Principles.

#### 2. RECOMMENDATIONS

2.1 Members are recommended to endorse the post-consultation updated Statement of Gambling Principles shown in Appendix A and recommend to full Council that the policy is approved for publication on 15<sup>th</sup> April 2016 for it to come in to effect on 13<sup>th</sup> May 2016.

#### 3. BACKGROUND

- 3.1 The Statement of Principles must be formulated in accordance with, and reflect the guidance issued by, the Gambling Commission and Government Codes of Practice. The principles essentially inform the processes that the Council would normally follow in conducting its duties as the Licensing Authority.
- 3.2 During the spring and summer of 2015 The Gambling Commission changed its Licence Conditions and Codes of Practice (LCCP) for operators. The changes are to be reflected in the Council's Statement of Principles.
- 3.3 The changes allowed the Council to create a Statement which is more reflective of local circumstances and to create a Local Area Profile (which is validated by evidenced provided in the Local Area Profile) to map the risks in Cambridge City of gambling-related harm according to a range of criteria. This could include mental health prevalence, significant ethnic groups, significant life stage groups (such as children or emerging adults), financial/ debt problems, housing instability, alcohol consumption and employment & income.
- 3.4 Gambling Operators that apply for licences will be required to produce a risk assessment as part of the application, although the template is not mandatory and Gambling Businesses can use their own template. The Council is already familiar with a risk based approach to compliance and has developed guidance to assist gambling operators in undertaking and preparing their local (premises) risk assessment.
- 3.5 The risk assessment will benefit the Council as a Licensing Authority under the Gambling Act 2005 as well as responsible authorities and interested parties when considering new and variation applications. The local risk assessments will also enable the Council to establish a more progressive compliance inspection regime.

- 3.6 Gambling operators will be required to undertake a risk assessment for all of their existing premises by 6<sup>th</sup> April 2016.
- 3.7 Following that date, operators must also undertake a review of those assessments when certain triggers are met. The Council considers that these local risk assessments are a key component of the overall assessment and management of the local risks and are specific to the potential harm that gambling premises can have on one or more of the licensing objectives under the Act. They are specific to the premises, the local area and the local community.
- 3.8 Details of the triggers can be found within the Guidance on Undertaking Local Gambling Risk Assessment but includes new premises, significant changes in local circumstances, significant changes to the premises and variation of the premises licence.
- 3.9 Operators will be able to use Cambridge City Council's Local Area Profile and Statement of Gambling Principles to help inform specific risks that operators will need to address in their risk assessment. The risk assessment should address how the operator will mitigate any risks outlined. Furthermore, operators will be required to demonstrate in their applications how they will prevent underage gambling and also their attitude to social responsibility.
- 3.10 It is anticipated that the Local Area Profile will develop over time and will:
  - Enable the Council to better serve our local community, by better reflecting the community and the risks within it,
  - Enable the Council to make robust decisions, based on a clear, published set of factors and risks, which are therefore less susceptible to challenge; and
  - Encourage operators and applicants to take a proactive approach to risk that is likely to result in reduced compliance and enforcement action.
- 3.11 The Local Area Profile has been included to facilitate operators being able to better understand the environment within Cambridge City and therefore proactively mitigate risks to the licensing objectives.
- 3.12 In January 2016, Officers undertook an exercise to visit the area where gambling premises are located and to inspect all gambling premises. In doing this, the Local Area Profile has been formulated to include detailed information for each Ward.

3.13 A consultation process took place between 1<sup>st</sup> and 14<sup>th</sup> February 2016 (Appendix B) on the Risk Assessment, the Guidance and the Local Area Profile. Two responses were received (Appendix C) and comments taken on board and factored in to the final document.

### 4. OPTIONS

- 4.1 The Committee may resolve to:
- 4.1.1 Endorse the post-consultation updated Statement of Gambling Principles shown in Appendix A and recommend to full Council that the policy is approved for publication on 15<sup>th</sup> April 2016 for it to come in to effect on 13<sup>th</sup> May 2016; or
- 4.1.2 Amend the draft Statement of Principles and recommend to full Council that the policy is approved for publication on 15<sup>th</sup> April 2016 for it to come in to effect on 13<sup>th</sup> May 2016.

## 5. CONSULTATIONS

- 5.1 Consultation on the draft policy took place between 1<sup>st</sup> and 14<sup>th</sup> February 2016, two responses have been received (Appendix C).
- 5.2 One response was from Coral Racing Limited who represents approximately 20% of all licensed betting premises across Great Britain.
- 5.3 A second response was from Gosschalks Solicitors who represents over 80% of the high street betting market and include large national gambling operators.
- 5.4 A summary of the key points from the two consultation responses can be found below:

Summary of Key Points	Response/ Action
Is the Risk Assessment	The City Council has confirmed that the
Template Mandatory?	template is not mandatory and larger
	organisations can use their own template. The
	template is to assist smaller organisations.
There appears to be a	The Gambling Commission state that as a
distortion of the "aim to permit"	means of assisting local authorities, premises
principle by moving the burden	licence holders should have policies and
of proof onto operators.	procedures in place to mitigate the local risks to
	the licensing objectives. To take into account

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the feedback from the consultation, the following has been included in the Local Area Profile "The Council believe that contribution to premises risk assessments and being knowledgeable and informed on the 'local area' and risks is necessary in order to provide sufficient detail within the assessment. This means that any assessments undertaken do need to have an involvement of and an understanding of the local area in which they operate and are licensed."

It is not clear that the purpose of the Local Area Profile is to assist with the completion of the risk assessment. This has been made clear in the Local Area Profile documentation.

Moral or ethical objections, a dislike of gambling or a general notion that it is undesirable are not valid reasons to reject an application. Furthermore, the affluence of an area would be irrelevant.

Whilst this is clear in the Gambling Commission guidance, a number of factors have been taken into account in the compilation of the Local Area Profile in order to build a full picture and increase awareness of the area and to improve information sharing with gambling operators in order to facilitate constructive engagement with licensees. To take into account feedback from the consultation, the following has been included in the Local Area Profile "The Council has specifically included the location of religious premises and places of worship with the Local Area Profile due to evidence we have that they are focal points and areas of congregation for a percentage of vulnerable members of the local community, including our homeless community and youth population.

It is not intended that we are considering any moral or ethical issues associated with gambling."

Reference is made to the British Gambling Prevalence Survey of 2010, whilst the Gambling Behaviour in England and Scotland of 2014 provides more recent data.

The Local Area Profile has been reviewed and has included data and information highlighted in the Gambling Behaviour in England and Scotland 2014 report. The Council have explored the findings of reports from the Gambling Commission 2009 and 2010 undertaken Birmingham University titled "the role of social factors in gambling; evidence from

the 2007 British Gambling Survey". Whilst the study dates back, there are a number of observations within the reports which focuses more on the social aspects of gambling and make up of individuals from a local area, income of individuals and further factors which led the Council to consider our own Anti-Poverty Strategy.

The proximity of educational facilities, places of worship and licensed premises is not of relevant consideration.

We have produced and included an overview of key buildings at a ward level, including licensed premises and schools as a number, although not all of these premises can and do have gambling and alcohol related licenses (small society lotteries, TEN's, notification of more than 2 gambling machines). It is pertinent to highlight that the Local Area Profile is not exclusively just for the larger betting establishments.

The City also has a number of licensed premises (2003 Act) which have 2 gambling machines (automatic entitlement) which are required to be registered and the appropriate fee paid. Whilst these are not separately licensed, they will be inspected accordingly and the Council expect these premises to consider an appropriate risk assessment and will review their activities within the guidance.

The list of triggers for risk assessments and local area risks need to be reviewed and redrafted to ensure only matters that are relevant to the licensing objectives are included.

The guidance on undertaking local risk assessments reflects triggers for risk assessments as being:

- Upon application of a new premises licence
- When applying for a variation to a premises licence
- Changes in the local environment or premises warrant an assessment to be undertaken again

The ethical, age and economic make-up of the community is irrelevant unless the Council has determined that certain ethnic groups are more likely to The following statements have been included in the Local area Profile: "Some high risk groups often also correlate to having low or limited income, live in areas of high deprivation, are more at risk of being involved in or of being a

commit crime arising out of gambling. The statement of principles does not suggest this.	victim of crime and disorder as well as often suffering with additional health related matters."  "Accessibility to money is a factor which is cited in many gambling studies as is proximity from various locations such as dwellings to gambling venues as being a notable factor"
The control measures should reference 'Think 21' scheme.	The guidance reflects the use of a 'Think 21' scheme in gambling premises.

## 6. CONCLUSIONS

6.1 Cambridge City Council has fulfilled its statutory duty and the Statement of Principles was published on 21<sup>st</sup> December 2015. In order to complete the Statement and to assist operators in fulfilling their requirements, the Addendum to the Statement should be produced by April 2016.

#### 7. IMPLICATIONS

## (a) Financial Implications

The Statement of Principles, and the addendum to it, is a statutory function, covered by the fees paid by Licence and permit holders.

# (b) Staffing Implications

Existing staff resources will apply to the Statement of Principles and Addendum once finalised.

# (c) Equal Opportunities Implications

This is a statutory policy and it promotes equal opportunities. The policy does not prohibit any person from making an application or objecting to an application where they have a statutory right to do so.

An Equalities Impact Assessment was completed on the Statement of Principles in September 2015 (Appendix D).

# (d) Environmental Implications

There are no apparent environmental implications that result from the Statement of Principles or Addendum.

# (e) Community Safety

The Statement of Principles will ensure that in carrying out its statutory duties, the Licensing Authority will promote the licensing objectives:

- (i) preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
- (ii) ensuring that gambling is conducted in a fair and open way; and
- (iii) protecting children and other vulnerable persons from being harmed or exploited by gambling.

## **APPENDICES**

Appendix A

Statement of Principles (with Local Area Profile, Guidance on Undertaking Local Gambling Risk Assessment and Risk Assessment Template).

Appendix B

**Consultation Paper** 

Appendix C

Consultation Responses

Appendix D

**Equalities Impact Assessment** 

**BACKGROUND PAPERS:** The following are the background papers that were used in the preparation of this report:

- Gambling Act 2005
- Guidance Published by the Gambling Commission in May 2015
- Existing Statement of Gambling Principles published on 21<sup>st</sup> December 2015.

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Date originated: 4 March 2016 Date of last revision: 4 March 2016