



Report for:	Licensing, Health & Safety and Enforcement Committee
Date of meeting:	13 November 2018
PART:	I
If Part II, reason:	

Title of report:	Review of Gambling Act Statement of Principles
Contact:	Nathan March – Licensing Team Leader, Corporate and Contracted Services
Purpose of report:	To report the results of consultation on draft revisions to the Council's Gambling Act 2005 Statement of Principles
Recommendations	1. That the Committee endorse the revised draft Statement of Principles under the Gambling Act 2005 for the period 2019 – 2022, and refer it to Full Council for approval and adoption.
Corporate objectives:	Safe and Clean Environment <ul style="list-style-type: none"> • Maintain a clean and safe environment Dacorum Delivers <ul style="list-style-type: none"> • Performance excellence • Reputation and profile delivery
Implications:	<u>Equalities Implications</u> A Community Impact Assessment has been prepared and has been circulated separately. <u>Financial / Value for Money / Risk / Health And Safety Implications</u> None identified.
Consultees:	The draft policy was published on the Council's website and comments invited for an 8-week period in August and September. Notifications were sent directly to responsible authorities, borough and county councillors, town and parish councils, local community groups, licensed trade

	<p>representative bodies, and representatives of licence-holders. Comments were also invited via messages on the Council's social media accounts.</p> <p>3 responses were received, which are reproduced at Annex A.</p>
Background papers:	Draft Statement of Principles 2016-2019 and Local Area Profile <i>(both circulated separately)</i>
Glossary of acronyms and any other abbreviations used in this report:	

1. BACKGROUND

- 1.1. Non-remote gambling activities such as betting, prize gaming (including bingo and poker), provision of gaming machines and promotion of lotteries under the Gambling Act 2005 is one of the major regulatory regimes under which the Council has statutory responsibilities.
- 1.2. The Gambling Act requires licensing authorities (district councils or unitary authorities) to publish a written policy, setting out how they intend to exercise the licensing and enforcement powers conveyed to them under the Act, the principles that they will follow, and their expectations of licensees. These policies must be periodically reviewed, so as to ensure that they reflect the current legislation, and are relevant to the issues arising in the authority's area.
- 1.3. Dacorum last reviewed its Gambling Policy in 2016 (Gambling Act 2005). The policy is due for review and replacement by January 2019, in order to satisfy the statutory requirements in the Act.

2. CONSULTATION RESULTS

- 2.1. At the Committee's meeting on 22 May 2018, consultation was approved on draft versions of the policy documents. The report considered at that meeting detailed the major changes made to the policy.
- 2.2. Consultation took place over an 8-week period in June and July 2018. Notification was sent by email to: the responsible authorities, borough and county councillors, town and parish councils, local MPs, local community groups, multiple licence-holders (companies holding two or more premises licences), representative trade bodies and licensing-focussed legal firms.
- 2.3. The consultation was also publicised via the council's website.
- 2.4. A total of 3 written responses were received to the consultation, all of which are reproduced at Annex A. The responses break down as follows:
 - One from HMRC in its role as a responsible authority
 - One from Hertfordshire Public Health

- One from a gambling trade representative body

2.5. A small number of further changes have been made to the draft policy documents after considering the consultation responses, and these are detailed within Annex A, after each response.

2.6. The final decision to adopt or revise a licensing policy under this Act must be made by Full Council. The Committee is now asked to resolve to recommend the adoption of the revised policies (with the additional revisions) by Full Council.

3. RECOMMENDATION

3.1. That the Committee endorse the revised draft Statement of Principles under the Gambling Act 2005 for the period 2019 – 2022, and refer it to Full Council for approval and adoption.

Annex A – Consultation responses

Janet Marron

Betting & Gaming, Excise Processing Teams

Dear Sir

Thank you for sending us access to your consultation document for your Gambling Policy Statement.

As one of the responsible authorities quoted in your appendices can I ask you to amend our contact telephone number to 0300 322 7072

Kind regards

Janet (Marron)
Betting & Gaming
Excise Processing Teams
Portcullis House
21 India Street
Glasgow
G2 4PZ
03000 516023

Officer comments

The suggested change has been incorporated.

Prof. Jim McManus
Director of Public Health, Hertfordshire County Council

From: Jim McManus [mailto:Jim.McManus@hertfordshire.gov.uk]
Sent: 25 July 2018 22:52
To: Nathan March
Subject: RE: Gambling Consultation

Hi

I think this is a really useful baseline position, so would be very happy to support this because it gives us the basis, as you say, for work outside that and applications.

So I think this does the job! Looks good.

J

Please note: While I may email you outside working hours, I do this because it fits with my workload and schedule. That doesn't mean I expect you to respond outside your normal working hours.

Prof. Jim McManus, OCDS, CPsychol, CSci, AFBPsS, FFPH, FRSB, Chartered MCIPD

Director of Public Health
Hertfordshire County Council
Vice-President, Association of Directors of Public Health UK
Hon. Professor, Schools of Health and Social Work and Life and Medical Sciences,
University of Hertfordshire

Officer comments

No Changes requested or required.

Association of British Bookmakers



BY E-MAIL ONLY
LICENSING DEPARTMENT
DACORUM BOROUGH COUNCIL

Please ask for: Richard Taylor
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Email: rjt@goschalks.co.uk
Our ref: RJT / AW/MJM /
097505.00005
#GS2037840
Your ref:
Date: 13th July 2018

Dear Sir/Madam,

Re: Gambling Act 2005 Policy Statement Consultation

We act for the Association of British Bookmakers (ABB) and have received instructions to respond on behalf of our client to the current consultation on the Council's review of its gambling policy statement.

The Association of British Bookmakers (ABB) represents over 80% of the high street betting market. Its members include large national operators such as William Hill, Ladbrokes Coral and Paddy Power, as well as almost 100 smaller independent bookmakers.

Please see below for the ABB's response to the Council's current consultation on the draft gambling policy statement.

This response starts by setting out the ABB's approach in areas relevant to the local authority's regulation of betting shop premises, and its commitment to working with local authorities in partnership. The response finishes by highlighting matters within the policy statement which the ABB feels may need to be addressed.

Betting shops have been part of the British high street for over 50 years and ensuring a dialogue with the communities they serve is vital.

The ABB recognises the importance of the gambling policy statement in focusing on the local environment and welcomes the informed approach this will enable operators to take for example, with regard, to the new requirements for local area risk assessments and ensuring the right structures are in place in shops that are appropriate for that area.

Whilst it is important that the gambling policy statement fully reflects the local area, the ABB is also keen to ensure that the statutory requirements placed on operators and local authorities under the Gambling Act 2005 remain clear; this includes mandatory conditions (for instance,

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relating to Think 21 policies) and the aim to permit structure. Any duplication or obscuring of these within new processes would be detrimental to the gambling licensing regime. The ABB also believes it is important that the key protections already offered for communities, and clear process (including putting the public on notice) for objections to premises licence applications, continue to be recognised under the new regime.

Any consideration of gambling licensing at the local level should also be considered within the wider context.

- the overall number of betting shops is in decline. The latest Gambling Commission industry statistics show that numbers as of March 2017 were 8,788 - a decline of 349 since March 2014, when there were 9,137 recorded.
- planning law changes introduced in April 2015 have increased the ability of licensing authorities to review applications for new premises, as all new betting shops must now apply for planning permission.
- successive prevalence surveys and health surveys tells us that problem gambling rates in the UK are stable (0.6%) and possibly falling.

Working in partnership with local authorities

The ABB is fully committed to ensuring constructive working relationships exist between betting operators and licensing authorities, and that where problems may arise that they can be dealt with in partnership. The exchange of clear information between councils and betting operators is a key part of this and the opportunity to respond to this consultation is welcomed.

LGA – ABB Betting Partnership Framework

In January 2015 the ABB signed a partnership agreement with the Local Government Association (LGA), developed over a period of months by a specially formed Betting Commission consisting of councillors and betting shop firms, which established a framework designed to encourage more joint working between councils and the industry.

Launching the document Cllr Tony Page, LGA Licensing spokesman, said it demonstrated the *"desire on both sides to increase joint-working in order to try and use existing powers to tackle local concerns, whatever they might be."*

The framework builds on earlier examples of joint working between councils and the industry, for example the Medway Responsible Gambling Partnership which was launched by Medway Council and the ABB in December 2014. The first of its kind in Britain, the voluntary agreement led the way in trialing multi-operator self-exclusion. Lessons learned from this trial paved the way for the national multi-operator self-exclusion scheme now in place across the country. By phoning a free phone number (0800 294 2060) a customer who is concerned they are developing a problem with

their gambling can exclude themselves from betting shops close to where they live, work and socialise. The ABB is working with local authorities to help raise awareness of the scheme, which is widely promoted within betting shops.

The national scheme was first trialed in Glasgow in partnership with Glasgow City Council. Cllr Paul Rooney, Glasgow's City Treasurer and Chairman of a cross-party Sounding Board on gambling, described the project as *"breaking new ground in terms of the industry sharing information, both between operators and, crucially, with their regulator."*

Primary Authority Partnerships in place between the ABB and local authorities

All major operators, and the ABB on behalf of independent members, have also established Primary Authority Partnerships with local authorities. These partnerships help provide a consistent approach to regulation by local authorities, within the areas covered by the partnership; such as age-verification or health and safety. We believe this level of consistency is beneficial both for local authorities and for operators.

For instance, Primary Authority Partnerships between Milton Keynes Council and Reading Council and their respective partners, Ladbrokes and Paddy Power, led to the first Primary Authority inspection plans for gambling coming into effect in January 2015. By creating largely uniform plans, and requiring enforcing officers to inform the relevant Primary Authority before conducting a proactive test-purchase, and provide feedback afterwards, the plans have been able to bring consistency to proactive test-purchasing whilst allowing the Primary Authorities to help the businesses prevent underage gambling on their premises.

Local area risk assessments

Since April 2016, under new Gambling Commission LCCP provisions, operators have been required to complete local area risk assessments identifying any risks posed to the licensing objectives and how these would be mitigated. Licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy, and any local area profile, in their risk assessment. These must be reviewed where there are significant local changes or changes to the premises, or when applying for a variation to or for a new premises licence.

The ABB fully supports the implementation of risk assessments which will take into account risks presented in the local area, such as exposure to vulnerable groups and crime. The new requirements build on measures the industry has already introduced through the ABB Responsible Gambling Code to better identify problem gamblers and to encourage all customers to gamble responsibly.

This includes training for shop staff on how to intervene and direct problem gamblers to support services, as well as new rules on advertising including banning gaming machine advertising in shop windows, and the introduction of Player Awareness Systems which use technology to track account

based gaming machine customers' player history data to allow earlier intervention with any customers whose data displays known 'markers of harm'.

Best practice

The ABB is committed to working pro-actively with local authorities to help drive the development of best practice with regard to local area risk assessments, both through responses to consultations such as this and directly with local authorities. Both the ABB and its members are open and willing to engage with any local authority with questions or concerns relating to the risk assessment process, and would encourage them to make contact.

Westminster Council is one local authority which entered into early dialogue with the industry, leading to the development of and consultation on draft guidance on the risk assessment process, which the ABB and our members contributed to. Most recently one operator, Coral, has been working closely with the Council ahead of it issuing its final version of the guidance, which we welcome.

The final guidance includes a recommended template for the local area risk assessment which we would point to as a good example of what should be expected to be covered in an operator's risk assessment. It is not feasible for national operators to submit bespoke risk assessments to each of the c.350 local authorities they each deal with, and all operators have been working to ensure that their templates can meet the requirements set out by all individual local authorities.

The ABB would be concerned should any local authority seek to prescribe the form of an operator's risk assessment. This would not be in line with better regulation principles. Operators must remain free to shape their risk assessment in whichever way best meets their operational processes.

The ABB has also shared recommendations of best practice with its smaller independent members, who although they deal with fewer different local authorities, have less resource to devote to developing their approach to the new assessments. In this way we hope to encourage a consistent application of the new rules by operators which will benefit both them and local authorities.

Concerns around increases in the regulatory burden on operators

The ABB is concerned to ensure that any changes in the licensing regime at a local level are implemented in a proportionate manner. This would include if any local authority were to set out overly onerous requirements on operators to review their local risk assessments with unnecessary frequency, as this could be damaging. As set out in the LCCP a review should only be required in response to significant local or premises change. In the ABB's view this should be where evidence can be provided to demonstrate that the change could impact the premises' ability to operate consistently with the three licensing objectives.

Any increase in the regulatory burden would severely impact ABB members at a time when overall shop numbers are in decline, and operators are continuing to absorb the impacts of significant recent regulatory change. This includes the increase to 25% of Machine Games Duty, limits to staking over £50 on gaming machines, and planning use class changes which require all new betting shops in England to apply for planning permission.

Employing additional licence conditions

It should continue to be the case that additional conditions are only imposed in exceptional circumstances where there are clear reasons for doing so. There are already mandatory and default conditions attached to any premises licence which will ensure operation that is consistent with the licensing objectives. In the vast majority of cases, these will not need to be supplemented by additional conditions.

The LCCP require that premises operate an age verification policy. The industry operates a policy called "Think 21". This policy is successful in preventing under-age gambling. Independent test purchasing carried out by operators and the ABB, and submitted to the Gambling Commission, shows that ID challenge rates are consistently around 85%. The ABB has seen statements of principles requiring the operation of Challenge 25. Unless there is clear evidence of a need to deviate from the industry standard then conditions requiring an alternative age verification policy should not be imposed.

The ABB is concerned that the imposition of additional licensing conditions could become commonplace if there are no clear requirements in the revised licensing policy statement as to the need for evidence. If additional licence conditions are more commonly applied this would increase variation across licensing authorities and create uncertainty amongst operators as to licensing requirements, over complicating the licensing process both for operators and local authorities

Other concerns

Where a local area profile is produced by the licensing authority, this be made clearly available within the body of the licensing policy statement, where it will be easily accessible by the operator and also available for consultation whenever the policy statement is reviewed.

Considerations specific to the Draft Statement of Principles 2019 to 2022

On behalf of the ABB, we welcome the light touch approach to the Statement of Principles and the acknowledgement within the Gambling Act Local Area Profile 2019 to 2022 that there are no areas with a high density of gambling premises and that the council does not have any evidence that there are any specific issues at the moment.

Paragraph 4.3 indicates that licensing authorities must exercise their powers in a way that is reasonably consistent with the “promotion” of the licensing objectives. The promotion of the licensing objectives is fundamental with regard to Licensing Act 2003 applications but there is no requirement for a licensing authority to promote the licensing objectives. ~~Indeed~~ the only body upon whom Gambling Act 2005 confers a duty to promote the licensing objectives is the Gambling Commission. This paragraph should be re-drafted so that it is clear (as is stated throughout the policy) that the licensing authority will have regard to the licensing objectives and ensure that any applications are reasonably consistent with those licensing objectives.

Paragraph 12 explains the licensing authority’s approach to the imposition of conditions on premises licence. We welcome the acknowledgement in paragraph 12.1 that conditions would only be imposed in response to specific issues as we believe that the evidential basis for the imposition of conditions is very important. This paragraph would, however, be assisted by a clear statement that the mandatory and default conditions are usually sufficient to ensure operation that is reasonably consistent with the licensing objectives.

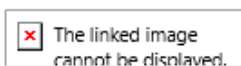
Conclusion

The ABB and its members are committed to working closely with both the Gambling Commission and local authorities to continually drive up standards in regulatory compliance in support of the three licensing objectives: to keep crime out of gambling, ensure that gambling is conducted in a fair and open way, and to protect the vulnerable.

Indeed, as set out, the ABB and its members already do this successfully in partnership with local authorities now. This includes through the ABB Responsible Gambling Code, which is mandatory for all members, and the Safe Bet Alliance (SBA), which sets voluntary standards across the industry to make shops safer for customers and staff.

We would encourage local authorities to engage with us as we continue to develop both these codes of practice, which are in direct support of the licensing objectives, as well as our processes around local area risk assessments.

Yours faithfully,



GOSSCHALKS

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Officer comments

Paragraph 4.3 – reference to ‘promotion’ removed

Paragraph 12.1 – reviewed, but no amendments suggested as the paragraph is considered to be worded effectively already. As the Council does not deal with many applications, it would not be helpful to advise that the mandatory and default conditions are ‘usually sufficient’.