

**TITLE: GAMBLING ACT 2005 – LICENSING STATEMENT OF PRINCIPLES
(THREE YEAR REVIEW)**

Committee: Licensing Committee

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1.0 Issue

- 1.1 To approve the draft revised version of the Council's Gambling Act 2005 - Statement of Principles for Licensing

2.0 Recommendations

- 2.1 That Members approve the draft version of the Gambling Act 2005 - Statement of Principles for Licensing at **Appendix 1**.
- 2.2 That Members agree to a statutory public consultation taking place on the draft Statement of Principles for Licensing from 8 July 2024 to 19 August 2024 in accordance with the Gambling Act 2005.

3.0 Background/Options

- 3.1 Under Section 349 of the Gambling Act 2005 the Licensing Authority is required to prepare a statement of principles that they propose to apply in exercising their functions under the 2005 Act. Such a policy must be published before the authority carries out any function in respect of individual applications made under the terms of the 2005 Act, and remains in force for a period of three years.
- 3.2 During the three-year period, the policy must be kept under review and the licensing authority may make such revisions to it as it considers appropriate, for instance in the light of feedback from the local community on whether the statutory objectives are being met, or to reflect changes to national legislation.
- 3.3 Before any revisions may be made a formal consultation must take place. The consultation process is laid out clearly in the Gambling Act 2005, the Gambling Act 2005 (Licensing Authority Policy Statement)(England and Wales) Regulations 2006 and the Guidance to Licensing Authorities issued by the Gambling Commission (www.gamblingcommission.gov.uk).
- 3.4 This will be the seventh time the Council has reviewed the Gambling Act 2005 Statement of Principles for Licensing.
- 3.5 The results of the consultation exercise will be brought back to Licensing Committee on 11 September 2024. The decision made by Members of the

Licensing Committee at this hearing will then be referred to Council on 17 October 2024 for approval, to come into force on 31 January 2025. The policy must be published for 28 days prior to its coming into force on 31 January 2025.

- 3.6 The current policy has been in force since 31 January 2022, and it has proved to be very satisfactory at guiding applicants, and officers in the consideration and determination of applications. In 2022, the only changes made to the 2019 statement were made to accommodate the then newly published 5th edition of the Statutory Guidance to Licensing Authorities issued by the Gambling Commission in April 2021, and to reflect organisational contact detail changes that had occurred in the previous three years.
- 3.7 Whilst a substantial 268 page Government “White Paper” was published in April 2023 outlining proposals to improve gambling controls in the UK, the content of this document has not progressed into tangible matters that require amendments to the Gambling Commission’s “Guidance to Local Authorities” document, and therefore, there has been no further updating of this document since April 2021. There have also been no tangible matters requiring amendments to be made to our statement.
- 3.8 White Paper summary (for information purposes)

Proposed Reform of Land-Based Gambling Sector

The government has given land-based gambling operators notice of its intention to introduce a number of new measures by way of regulations to be laid before Parliament. The measures can be summarised as follows:

Casino measures

1968 Act casinos of a certain size will be allowed to have the same gaming machine allowance as Small 2005 Act casinos, subject to the same machine to table ratio of 5:1. A smaller increase in machines will also be permitted for venues that do not meet the size requirements, proportionate to their overall size and non-gambling area. All casinos will be allowed to offer betting, which was previously restricted to 2005 Act casinos.

Gaming machines in arcades and bingo halls

The 80/20 rule will be removed. Instead a 2:1 ratio of Category B to Category C and D gaming machines will be introduced. This measure will apply on a device type basis, meaning that the ratio applies across the 3 different types of device on which gaming machines content is currently offered in arcades and bingo halls, namely cabinets, in-fills and tablets. In practice, this means that 2 Category B gaming machines on a cabinet device type can be made available to a minimum of one Category C or D gaming machine on a cabinet device type. The same applies for in-fills and tablets.

Cashless payments on gaming machines

Direct debit card payments will be allowed to be made on gaming machines, subject to the player protection measures outlined within the government’s consultation response. Key player protections include account verification on

each transaction and a transaction limit of £100. The Gambling Commission will also consult on a number of player protection measures that may be included in their Gaming Machine Technical Standards to ensure that appropriate frictions are in place when direct debit card payments are used.

Introduction of an age limit on ‘cash-out’ Category D slot-style machines

An age limit of 18 and over for the use of ‘cash-out’ Category D slot-style gaming machines will be introduced. To ensure that this is enforced the government will make it a criminal offence to invite, cause or permit someone under the age of 18 to use these machines. It is also proposed that industry fund, conduct, and report on the outcomes of voluntary test purchasing to DCMS. It will not be a requirement that ‘cash-out’ Category D slot-style machines be moved to age-restricted areas

Review of licensing authority fees

The maximum premises licence fees which can be charged by local authorities will be increased by 15%. This fee enables licensing authorities to fund their enforcement and administrative gambling duties on a cost recovery basis.

Further information concerning the proposed measures can be found on the GOV.UK website at:

<https://www.gov.uk/government/consultations/measures-relating-to-the-land-based-gambling-sector/outcome/government-response-to-measures-relating-to-the-land-based-gambling-sector>

4.0 Arguments/Conclusions

- 4.1 Section 349 of the Gambling Act 2005 requires all licensing authorities to prepare and publish a Statement of Principles for Licensing that they propose to apply in exercising their functions under the 2005 Act during the three-year period to which the policy statement applies.
- 4.2 Regulations and the Statutory Guidance to Licensing Authorities, issued by the Gambling Commission specifies the scope and content of the Statement of Principles for Licensing.
- 4.3 The attached draft Statement of Principles for Licensing at **Appendix 1** is in line with these requirements.
- 4.4 Failure to approve a revised policy before 31 January 2025 will result in the inability to determine applications under the 2005 Act until such time as a policy is approved and published.
- 4.5 Officers do not consider it necessary to make any amendments to the statement at this time, other than to remove capitalised headings in order to comply with accessibility standards, update the figure relating to the population of the District, and to replace date references to the reflect the correct dates; these are shown as tracked changes in **Appendix 1**. Should comments be received from those the legislation requires us to consult with, these will come back to Members for their consideration on 11 September 2024.

- 4.6 Should recommendations and proposals contained in the white paper progress into law/policy change that impacts the rules enforced by the Licensing Authority, it is possible to review any statement in force at that time to incorporate the changes.

5.0 Additional Implications Assessment

- 5.1 In the table below, please put Yes or No in each box:

Financial Implications	Legal Implications	Human Resources (HR) Implications
Yes	Yes	No
Equality Impact Assessment (EIA)	Carbon Impact Assessment (CIA)	Data Protection Impact Assessment (DPIA)
Yes	No	No

Financial and legal implications

- 5.2 There is a cost incurred by the Council due to the costs of convening the necessary hearings to determine this statutory process, and the cost of running the necessary consultation, however, this cost is largely recovered via the licence fees paid by those holding and applying for licences.
- 5.3 The Council in its capacity as Licensing Authority has a duty to have regard to its public sector equality duty under section 149 of the Equality Act 2010. In summary, section 149 provides that a Public Authority must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristics and persons who do not share it.

Section 149(7) of the Equality Act 2010 defines the relevant protected characteristics as age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

- 5.4 Further to paragraph 5.3, an Equality Impact Assessment has been completed, and there are no identified impacts created by the recommendations in this report.

6.0 Appendices

- 6.1 Appendix 1 – Draft 2025 Statement of Principles of Gambling

7.0 Background documents

Gambling Act 2005

5th Edition: Gambling Commission Statutory Guidance for Licensing Authorities

Gambling Act 2005 – Government White Paper – April 2023