

Appendix 1

Gambling Act 2005

Statement of Principles

Draft

Part A

1. The licensing objectives

1.1 Sunderland City Council is designated as a Licensing Authority under the Gambling Act 2005. In exercising most of its functions under that Act, the Council must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:

- 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.

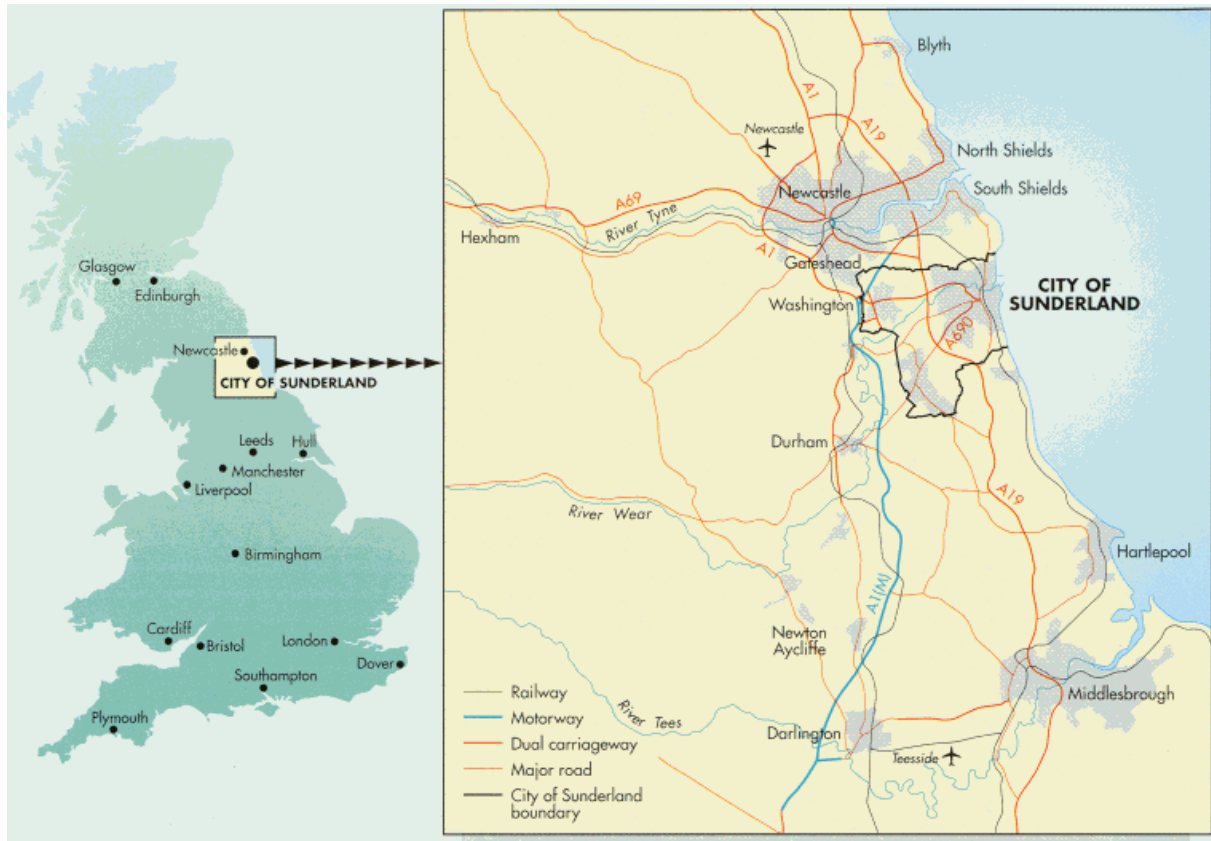
1.2 It should be noted that the Gambling Commission has stated: 'The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling'.

1.3 The Council is aware that, in accordance with Section 153, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it thinks it is:

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with the Council's statement of principles.

2. Introduction

- 2.1 The City of Sunderland has a population of 277,962 according to the 2016 mid-year estimate and is situated on the north east coast of England. In terms of area, it covers approximately 137 square kilometres (13,700 hectares) and is mainly urban in character. Its location is shown in the map below.



- 2.2 The Council is required by the Gambling Act 2005 to publish a statement of the principles which it proposes to apply when exercising its functions under the Act. This statement is required to be published before each successive period of three years. The statement must also be reviewed from 'time to time' and any revision consulted upon. Any revised statement must be then published before it may have effect.
- 2.3 The Council consulted widely upon this statement before its publication. A list of those persons consulted is provided below.
- 2.4 The Gambling Act requires that the following parties are consulted by licensing authorities:
- The Chief Officer of Police;
 - 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 the Gambling Act 2005.

2.5 In formulating this statement of principles, the Council has sought the views of:

- Northumbria Police;
- Tyne and Wear Fire and Rescue Service;
- Various representatives of the gambling trade and premises licensees in the City; and
- a local charity concerned with gambling misuse.

2.6 This statement of principles was approved at a meeting of the Council on XX and was published on XX. Copies are available by request to:

Sunderland City Council,
Public Protection and Regulatory Services,
Licensing Section,
Jack Crawford House,
Commercial Road,
Sunderland
SR2 8QR

or via e-mail: licensing@sunderland.gov.uk.

2.7 Should you have any comments with regard to this statement of principles please send them via letter to:

Sunderland City Council,
Public Protection and Regulatory Services,
Licensing Section,
Jack Crawford House,
Commercial Road,
Sunderland
SR2 8QR

or via e-mail: licensing@sunderland.gov.uk.

2.8 It should be noted that this statement of principles will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

2.9 This statement is in line with and will contribute to the Safer Sunderland Partnership's strategic priorities which are to:

1. Prevent crime and disorder, re-offending and maintain high levels of feelings of safety
2. Protect and support our most vulnerable people and places from harm

3. Declaration

3.1 In producing this statement of principles, Sunderland City Council declares that it has had regard to the licensing objectives of the Gambling Act 2005, the Guidance to Licensing Authorities issued by the Gambling Commission (the 'Gambling Commission's Guidance'), and any responses from those persons consulted on this statement of principles. If and when the Gambling Commission's guidance is revised the Council may consider it necessary to review this statement.

4. Responsible authorities

4.1 The Council is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the Council about the protection of children from harm. The principles are:

- the need for the body to be responsible for an area covering the whole of the Council's area; and
- the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

4.2 In accordance with the Gambling Commission's Guidance the Council designates the Sunderland Safeguarding Children Board for this purpose.

4.3 The contact details of all the responsible authorities under the Gambling Act 2005 are available from the Licensing Section via e-mail at licensing@sunderland.gov.uk.

5. Interested parties

- 5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in section 158 of the Gambling Act 2005 as follows:

‘For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person

- a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
- b) has business interests that might be affected by the authorised activities, or
- c) represents persons who satisfy paragraph (a) or (b)’

- 5.2 The Council is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party. The principles are:

- Each case will be decided upon its merits. The Council will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission’s Guidance at paragraphs 8.11 to 8.17. It will also consider the Gambling Commission’s Guidance that “has business interests” should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.
- Interested parties can be persons who are democratically elected such as Councillors and MPs. No specific evidence of being asked to represent an interested person will be required as long as the Councillor or MP represents the ward likely to be affected. Likewise, Hetton Town Council, if its area is likely to be affected, will be considered to be an interested party. Other than these parties however, the Council will generally require written evidence that a person or body (e.g. an advocate or relative) ‘represents’ someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation will be sufficient.
- If individuals wish to approach Councillors to ask them to represent their views, care should be taken that the Councillors are not part of the Licensing Committee. Details of which Councillors sit on that Committee are available from the Licensing Section.

6. Exchange of information

- 6.1 The Council is required to include in its statement the principles it will apply in exercising its functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.
- 6.2 The principle that the Council will apply is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the General Data Protection Regulations will not be contravened. The Council will also have regard to any Guidance issued by the Gambling Commission on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

7. Enforcement

- 7.1 The Council is required by the Gambling Act 2005 to state the principles to be applied by the Council in exercising its functions under Part 15 of the Act with respect to the inspection of premises and its use of the powers available under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 The Council's principles are that:
- It will be guided by the Gambling Commission's Guidance and will endeavour to be:
 - **Proportionate:** regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs minimised;
 - **Accountable:** regulators must be able to justify decisions, and be subject to public scrutiny;
 - **Consistent:** rules and standards must be implemented fairly;
 - **Transparent:** regulators should be open; and
 - **Targeted:** regulation should be focused on the problem and seek to minimise side effects.
 - In accordance with the Gambling Commission's Guidance the Council will endeavour to avoid duplication with other regulatory regimes so far as possible.

- The Council has adopted and implemented a risk-based inspection programme based on;
 - The licensing objectives;
 - Relevant codes of practice;
 - Guidance issued by the Gambling Commission; in particular at Part 36; and
 - The principles set out in this statement.
- The main enforcement and compliance role for the Council in terms of the Gambling Act 2005 is to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission is the enforcement body for operating and personal licences. It should be noted that concerns about the manufacture, supply or repair of gaming machines are not dealt with by the Council but will be notified to the Gambling Commission.
- The Council will also keep itself informed of developments with regard to the work of the Better Regulation Delivery Office in its consideration of the regulatory functions of local authorities.
- Bearing in mind the principle of transparency, the Council's enforcement policy is available upon request to the Licensing Section.

7.3 The Council recognises that certain operators have a number of premises within its area. In order to ensure that any compliance issues are recognised and resolved at the earliest stage, operators are requested to notify the Council of a single named point of contact, who should be a senior individual. The Council may contact this person first should any compliance queries or issues arise.

8. Licensing authority functions

- 8.1 The Council in its role as the licensing authority is required under the Act to:
- be responsible for the licensing of premises where gambling activities are to take place by issuing premises licences;
 - issue provisional statements;

- regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via the issuing of club gaming permits and/or club machine permits;
- issue club machine permits to commercial clubs;
- grant permits for the use of certain lower stake gaming machines at unlicensed family entertainment centres;
- receive notifications of the use of two or fewer gaming machines from premises licensed for the sale of alcohol under the Licensing Act 2003;
- issue licensed premises gaming machine permits for premises licensed under the Licensing Act 2003 to sell/supply alcohol for consumption on the premises where there are more than two machines;
- register small society lotteries below prescribed thresholds;
- issue prize gaming permits;
- receive and endorse temporary use notices;
- receive occasional use notices;
- provide information to the Gambling Commission regarding details of licences issued (see section 6 above on Exchange of information); and
- maintain registers of the permits and licences that are issued under these functions.

8.2 It should be noted that the Council is not involved in licensing remote gambling. This is the responsibility of the Gambling Commission by means of operating licences.

Part B - Premises licences

1. General principles

- 1.1 Premises licences are subject to the requirements set out in the Gambling Act 2005 and regulations thereunder, including specific mandatory and default conditions which will be detailed in regulations issued by the Secretary of State. However, the Council is able to exclude default conditions and also attach others, where evidence supports the need.

Decision making

- 1.2 The Council is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it is:
- in accordance with any relevant code of practice issued by the Gambling Commission;
 - in accordance with any relevant guidance issued by the Gambling Commission;
 - reasonably consistent with the licensing objectives; and
 - in accordance with the Council's statement of principles.
- 1.3 It is appreciated that, in accordance with the Gambling Commission's Guidance, 'moral objections to gambling are not a valid reason to reject applications for premises licences' and also that unmet demand is not a criterion for a licensing authority.
- 1.4 **Definition of 'premises'** - In the Act, "premises" is defined as including "any place". Section 152 therefore prevents more than one premises licence applying to any place. But a single building could be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. This approach has been taken to allow discrete premises licences to be obtained in respect of large, multiple unit premises such as a pleasure park, pier, track or shopping mall, where appropriate safeguards are in place. However, the Council will pay particular attention if there are issues about sub-divisions of a single building or plot and will seek to ensure that mandatory conditions relating to access between premises are observed.

The Gambling Commission states in its Guidance that: "In most cases the expectation is that a single building/plot will be the subject of an application for a licence, for example, 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement

and ground floor, if they are configured acceptably. Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer. However, the Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises.”

1.5 The Council takes note also of the Gambling Commission’s Guidance which states that licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular, the Guidance states that licensing authorities should be aware of the following:

- The third licensing objective seeks to protect children from being harmed by gambling. In practice that means not only preventing them from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore, premises should be configured so that children are not invited to participate in, have accidental access to, or closely observe gambling where they are prohibited from participating.
- Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do not “drift” into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit.
- Customers should be able to participate in the activity named on the premises licence.

1.6 The Guidance also states that factors about which a licensing authority should be aware in making a decision include:

- Whether the premises have separate registration(s) for business rates;
- Whether the premises neighbouring the premises in respect of which a licence is sought are owned by the same person or someone else;
- Whether each of the premises may be accessed from the street or a public passageway; and

- Whether the premises may only be accessed from any other gambling premises.
- 1.7 The Council will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.
- 1.8 The Gambling Commission's relevant access provisions for each premises type are reproduced below:

Casinos

- The principal access entrance to the premises must be from a street (as defined at paragraph 7.21 of the Guidance);
- No entrance to a casino must be from premises that are used wholly or mainly by children and/or young persons; and
- No customer must be able to enter a casino directly from any other premises which holds a gambling premises licence.

Adult gaming centres

- No customer must be able to access the premises directly from any other licensed gambling premises.

Betting shops

- Access must be from a street (as defined at paragraph 7.21 of the Guidance) or from another premises with a betting premises licence; and
- No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect, there cannot be an entrance to a betting shop from a shop of any kind and there may not be a betting shop at the back of a café – the whole area would be required to be licensed.

Tracks

- No customer should be able to access the premises directly from:
 - a casino; or
 - an adult gaming centre.

Bingo premises

- No customer must be able to access the premises directly from:
 - a casino;
 - an adult gaming centre; or
 - a betting premises, other than a track.

Family entertainment centres

- No customer must be able to access the premises directly from:
 - a casino;
 - an adult gaming centre; or
 - a betting premises, other than a track.

Part 7 of the Gambling Commission's Guidance contains further guidance on this issue, which this Council will also take into account in its decision-making.

1.9 Location

The Council is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives are relevant to its decision-making. In accordance with the Gambling Commission's Guidance, the Council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon with regard to areas where gambling premises should not be located, this statement will be updated. Any revision to the statement in this regard would be justified by evidence and subject to consultation. It should be noted that any such area-specific policy would not preclude any application being made and that each application will be decided on its merits, with the onus being upon the applicant to show how potential concerns can be overcome.

1.10 Local Risk Assessment

It is a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), under Part II Section 10, that licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at their premises and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this policy.

The LCCP goes on to say that licensees must review (and update as necessary) their local risk assessments:

- To take account of significant changes in local circumstances, including those identified in this policy;
- When there are significant changes at a licensee's premises that may affect their mitigation of local risks;
- When applying for a variation of a premises licence; and
- In any case, undertake a local risk assessment when applying for a new premises licence.

The Council will expect the local risk assessment to consider as a minimum:

- Whether the premises is in an area subject to high levels of crime and/or disorder;
- The location of services for children such as schools, playgrounds, leisure centres and other areas where children will gather; and
- Nearby substance misuse or mental health support facilities.

Information about these issues is available in our Local Area Profile as referenced at section 1.11.

In any case, the local risk assessment should show how vulnerable people, including people with gambling dependencies, are protected.

Other matters that the assessment may include are:

- The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the manning of the premises affects this.
- Details as to the location and coverage of working CCTV cameras, and how the system will be monitored.
- The layout of the premises so that staff have an unobstructed view of persons using the premises.
- The number of staff that will be available on the premises at any one time. If at any time that number is one, details of the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those persons using the premises.

- Arrangements for monitoring and dealing with under age persons and vulnerable persons, which may include the employment of dedicated and trained personnel, leaflets, posters, self-exclusion schemes, window displays and the content of advertisements.
- The provision of signage and documents relating to games rules, gambling care providers and other relevant information.
- Where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for gambling in reliance on the licence.

Such information may be used to inform the decision that the Council makes about whether to grant the licence, to grant the licence with special conditions or to refuse the application.

This policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how the concerns can be overcome.

1.11 Local Area Profile

Each locality has its own character and challenges. In order to assist applicants, where there is an issue in a local area which impacts on how the applicant should complete their risk assessment, the Council has published a local area profile. This profile can be obtained from (web link to be inserted).

The local area profile should be given careful consideration when making an application. Applicants may be asked to attend a meeting with licensing officers to discuss the profile, appropriate measures to mitigate risk in the area and how they might be relevant to their application. The local area profile will be presented to any subsequent Licensing Sub-Committee when they determine an application in respect of which representations have been received.

The Council recognises that it cannot insist on applicants using the local area profile when completing their risk assessments. However, an applicant who decides to disregard the profile may face additional representations and the expense of a hearing as a result.

1.12 Planning

The Gambling Commission's Guidance states, at paragraph 7.58, that:

'In determining applications the licensing authority has a duty to take into consideration all relevant matters and not to take into consideration any irrelevant matters, i.e. those not related to gambling and the licensing objectives. One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal.'

Commensurate with this guidance, the Council will not take into account irrelevant matters. In addition, the Council notes paragraph 7.65 of the Guidance which states:

'When dealing with a premises licence application for finished buildings, the licensing authority should not take into account whether those buildings have or comply with the necessary planning or building consents. Nor should fire or health and safety risks be taken into account. Those matters should be dealt with under relevant planning control, building control and other regulations, and must not form part of the consideration for the premises licence. Section 210 of the 2005 Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally, the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.'

1.13 Duplication with other regulatory regimes

The Council will seek to avoid any duplication with other statutory regulatory systems where possible, including planning. The Council will not consider whether premises for which a licence application has been submitted are likely to be awarded planning or building consent. The Council will listen to, and consider carefully, any concerns about conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise.

When dealing with an application for a premises licence in respect of a finished building, the Council will not take into account whether that building is in compliance with any necessary planning or building consent. Fire or health and safety risks will not be taken into account also, as these matters are dealt with under relevant planning control, building and other regulations and must not form part of the consideration of a premises licence.

1.14 Licensing objectives

Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the Council has considered the Gambling Commission's Guidance and our comments are made below.

1.15 Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

The Council is aware that the Gambling Commission takes a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does, however, envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, should an area be known to have high levels of organized crime (which is not the case in any part of the Council's area), the Council would consider carefully whether gambling premises are suitable to be located there and whether conditions may be necessary such as the provision of door supervisors. The Council is aware of the distinction between disorder and nuisance and would consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction.

1.16 Ensuring that gambling is conducted in a fair and open way

The Council has noted that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences. The Council has, however, more of a role with regard to tracks which is explained in more detail in Section 7 below.

1.17 Protecting children and other vulnerable persons from being harmed or exploited by gambling

The Council has noted that the Gambling Commission's Guidance states that this objective means preventing children from taking part in gambling (as well as the restriction of advertising so that gambling products are not aimed at, or are, particularly attractive to children). The Council will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances and machines, segregation of areas etc.

1.18 The Council is also aware of the Codes of Practice which the Gambling Commission issues with regard to this licensing objective, in relation to specific premises such as casinos.

1.19 With regard to the term 'vulnerable persons', it is noted that the Gambling Commission does not seek to offer a definition but states that 'it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, learning disability, alcohol or drugs.' The Council will consider this licensing objective on a case by case basis.

1.20 Conditions

Any conditions attached to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence requested;
- fairly and reasonably related to the scale and type of the premises; and
- reasonable in all other respects.

1.21 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures the Council will consider utilising should the weight of evidence demonstrate a need, such as the use of door supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence types below. The Council will also expect the licence applicant to offer his/her own suggestions as to the way in which the licensing objectives can be met effectively.

1.22 The Council will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances, the segregation of gambling from non-gambling areas frequented by children and the supervision of gaming machines in non-adult gambling specific premises. These matters are in accordance with the Gambling Commission's Guidance.

1.23 The Council will also seek to ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and

- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply, among other premises, to buildings where multiple premises licences are in use.

1.24 The Council is aware that tracks may be subject to one or more than one premises licence, provided that each licence relates to a specified area of the track. In accordance with the Gambling Commission's Guidance, the Council will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

1.25 It is noted that there are conditions which the Council cannot attach to premises licences. These are:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body is required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winning or prizes.

1.26 **Door supervisors**

The Gambling Commission advises in its Guidance that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example, by children and young persons) it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a condition to this effect upon a premises licence.

Where it is decided that supervision of entrances/machines is appropriate for particular cases, a consideration of whether such supervision is provided by Security Industry Authority (SIA) licensed personnel will be necessary. It will not be automatically assumed that such personnel need to be licensed, as the statutory requirements for different types of premises vary (as described by the Gambling Commission's Guidance, Part 33).

2. Adult gaming centres

2.1 The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy it that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.

2.2 The Council expects applicants to offer their own measures to meet the licensing objectives. Appropriate measures or licence conditions may cover issues such as:

- Proof of age schemes;
- CCTV;
- Supervision of entrances/machine areas;
- Physical separation of areas;
- Location of entry;
- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes; and
- Provision of information leaflets and/or helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3. (Licensed) Family entertainment centres

3.1 The Council will have regard specifically to the need to protect children and vulnerable persons from harm or being exploited by gambling and expects the applicant to satisfy it that there will be sufficient measures taken to ensure, for example, that under 18 year olds do not have access to the adult only gaming machine areas.

3.2 The Council expects applicants to offer their own measures to meet the licensing objectives. Appropriate measures or licence conditions may cover issues such as

- CCTV;
- Supervision of entrances and machine areas;
- Physical separation of areas;
- Location of entry;
- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes;
- Provision of information leaflets and/or helpline numbers for organisations such as GamCare; and
- Measures and training for staff on how to deal with suspected truant school children on the premises.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3.3 The Council will, in accordance with the Gambling Commission's guidance, refer to the Commission's website to consider any conditions applying to operating licences which cover the way in which the area containing the category C machines should be delineated. The Council will also take account of any mandatory or default conditions on such premises licences.

4. Casinos

4.1 **No casinos resolution** - The Council has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the Council decide in the future to pass such a resolution, it will update this statement of principles with details of that resolution.

5. Bingo premises

- 5.1 The Council notes that the Gambling Commission's Guidance states at paragraphs 18.5 to 18.7:

'Licensing authorities need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. This is a relevant consideration where the operator of an existing bingo premises applies to vary their licence to exclude an area of the existing premises from its ambit and then applies for a new premises licence, or multiple licences, for that or those excluded areas.'

Under the Act, children and young persons (anyone up to the age of 18) cannot be employed in providing any facilities for gambling on bingo premises, and children (under 16) cannot be employed, in any capacity, at a time when facilities for playing bingo are being offered. However, young persons, aged 16 and 17, may be employed in bingo premises (while bingo is being played), provided the activities on which they are employed are not connected with the gaming or gaming machines. Licensing authorities are able to find information about the restrictions that apply in Licence Conditions and Codes of Practice (LCCP).

Children and young people are allowed into bingo premises. However, they are not permitted to participate in the bingo and, if category B or C machines are made available for use, these must be separated from areas where children and young people are allowed.

6. Betting premises

- 6.1 **Betting machines** – The Council will, in accordance with the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number, nature and circumstances of betting machines an operator wants to offer.

7. Tracks

- 7.1 The Council is aware that tracks may be subject to one or more than one premises licence, provided that each licence relates to a specified area of the track. In accordance with the Gambling Commission's Guidance, the Council will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

7.2 The Council therefore expects applicants for premises licences to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.

7.3 The Council expects applicants to offer their own measures to meet the licensing objectives. Appropriate measures or licence conditions may cover issues such as:

- Proof of age schemes;
- CCTV;
- Supervision of entrances and machine areas;
- Physical separation of areas;
- Location of entry;
- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes; and
- Provision of information leaflets and/or helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

7.4 **Gaming machines**

Where the applicant holds a pool betting operating licence and uses the entitlement to four gaming machines, machines (other than category D machines) should be located only in areas from which children are excluded.

7.5 Self Service Betting Terminals

The Council will, in accordance with paragraph 19.9 of the Gambling Commission's Guidance, take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of Self Service Betting Terminals an operator proposes to offer.

7.6 Applications and plans

The Gambling Act (Section 151) requires applicants to submit plans of the premises with their application, in order to ensure that a licensing authority has the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan may also be used by licensing authorities to plan future premises inspection activity. (See the Gambling Commission's Guidance, paragraph 20.43).

7.7 Plans for tracks do not need to be in a particular scale, but should be drawn to scale and should be sufficiently detailed to include the information required by regulations. (See the Gambling Commission's Guidance, paragraph 20.44).

7.8 The Council appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with identifying exact locations for some types of track. Applicants should provide sufficient information to enable the Council to satisfy itself that the plan indicates the main areas where betting might take place. (See the Gambling Commission's Guidance, paragraph 20.46)

8. Travelling fairs

- 8.1 It will fall to the Council to decide whether, where category D machines and/or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- 8.2 The Council will also consider whether the proposed activities of the applicant fall within the statutory definition of a travelling fair.
- 8.3 The Council notes that the 27-day statutory maximum for land being used as a fair applies on a per calendar year basis, and applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. The Council will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

9. Provisional statements

- 9.1 Developers may wish to apply to the Council for a provisional statement before entering into a contract to buy or lease property or land in order to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for an applicant to hold an operating licence in order to apply for a provisional statement.
- 9.2 Section 204 of the Gambling Act allows a person to make an application to a licensing authority for a provisional statement in respect of premises that he or she:
- expects to be constructed;
 - expects to be altered; or
 - expects to acquire a right to occupy.
- 9.3 The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as when applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.
- 9.4 In contrast to an application for a premises licence, an applicant for a provisional statement does not need to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not need to have a right to occupy the premises in respect of which their provisional application is made.

9.5 The holder of a provisional statement may apply for a premises licence once the premises are constructed, altered or acquired. The Council will be constrained in the matters it can consider when determining the premises licence application, and, in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:

- they concern matters which could not have been addressed at the provisional statement stage, or
- they reflect a change in the applicant's circumstances.

9.6 In addition, the Council may refuse a premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- which could not have been raised by objectors at the provisional statement stage;
- which in the Council's opinion reflect a change in the operator's circumstances; or
- where the premises have not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and the Council may discuss any concerns it has with the applicant before making a decision.

10. Reviews

10.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities. However, the Council will decide whether a review is to be undertaken. This will be on the basis of whether the request for the review is in accordance with the considerations listed below:

- any relevant Code of Practice issued by the Gambling Commission;
- any relevant guidance issued by the Gambling Commission;
- reasonable consistency with the licensing objectives; and
- the Council's statement of principles.

- 10.2 The request for the review will also be subject to consideration by the Council as to whether it is frivolous, vexatious, or whether it will certainly not cause the Council to wish to alter/revoke/suspend the licence, or whether it is substantially the same as previous representations or requests for review.
- 10.3 The Council can also initiate a review of a particular premises licence, or a particular class of premises licence on the basis of any reason which it thinks is appropriate.
- 10.4 Once a valid application for a review has been received by the Council, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins seven days after the application was received by the Council. The Council will publish notice of the application within seven days of receipt.
- 10.5 The Council must carry out the review as soon as possible after the 28 day period for making representations has passed.
- 10.6 The purpose of the review will be to determine whether the Council should take any action in relation to the licence. If action is justified, the options open to the Council are to:
- a) add, remove or amend a licence condition imposed by the Council;
 - b) exclude a default condition imposed by the Secretary of State (e.g. opening hours) or remove or amend such an exclusion;
 - c) suspend the premises licence for a period not exceeding three months; or
 - d) revoke the premises licence.
- 10.7 In determining what action, if any, should be taken following a review, the Council must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.
- 10.8 In particular, the Council may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.

10.9 Once the review has been completed, the Council must, as soon as possible, notify its decision to:

- the licence holder;
- the applicant for review (if any);
- the Commission;
- any person who made representations;
- the chief officer of police or chief constable; and
- Her Majesty's Commissioners for Revenue and Customs.

Part C

Permits, temporary and occasional use Notices

1. **Unlicensed family entertainment centre (FEC) gaming machine permits (Statement of principles with regard to permits – Schedule 10, Paragraph 7 of the Act)**

- 1.1 It is possible to apply to the Council to provide gaming machines where no premises licence is held. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238).
- 1.2 The Gambling Act 2005 states that a licensing authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and, in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Gambling Commission under section 25. The Gambling Commission's Guidance also states: 'In its statement of policy, a licensing authority may include a statement of principles that it proposes to apply when exercising their functions in considering applications for permits...., licensing authorities may wish to give weight to matters relating to protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group.... a plan for the unlicensed FEC must be submitted.' (paragraph 24.8)
- 1.3 The Guidance also states: '...An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed FEC, and if the chief officer of police has been consulted on the application....' The licensing authority may also consider asking applicants to demonstrate:
- a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's;
 - that the applicant has no relevant convictions (these are set out in Schedule 7 of the Act); and
 - that employees are trained to have a full understanding of the maximum stakes and prizes. (paragraph 24.9)

It should be noted that the Council cannot attach conditions to this type of permit.

- 1.4 **Statement of principles** - The Council expects applicants to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The effectiveness of such policies and procedures

will each be considered on their merits. However, they may include appropriate measures and training for staff with regard to suspected truant school children on the premises, measures and training covering how staff would deal with unsupervised very young children being on the premises, or where evidence demonstrates children causing problems on or around the premises. The Council will also expect, in accordance with the Gambling Commission's Guidance, that applicants demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's; that the applicant has no relevant convictions (these are set out in Schedule 7 of the Act); and that staff are trained to have a full understanding of the maximum stakes and prizes.

2. (Alcohol) Licensed premises gaming machine permits – (Schedule 13, Paragraph 4(1) of the Act)

Automatic entitlement: two machines

2.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises to automatically be able to have two gaming machines of categories C and/or D. The operator of the premises merely needs to notify the Council. The Council can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has not been provided to the Council, the prescribed fee has not been provided or that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has not been complied with);
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises

Permits: three or more machines

2.2 If an operator of a premises wishes to have more than two machines, it is necessary to apply for a permit and the Council must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and 'such matters as they think relevant.' This Council considers that 'such matters' will be decided on a case by case basis. However, generally, the Council will consider the need to protect children and vulnerable persons from harm or

being exploited by gambling and will expect the applicant to satisfy it that there will be sufficient measures taken to ensure that under 18 year olds do not have access to adult only gaming machines. Measures which may satisfy the Council that there will be no access may include the locating of adult machines in sight of the bar, or in the sight of staff that will ensure that the machines are not being used by those under 18. Notices and signage may also be of help. With regard to the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets and helpline numbers for organisations such as GamCare.

2.3 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would need to be applied for, and dealt with, as an adult gaming centre premises licence.

2.4 It should be noted that the Council can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.

2.5 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

3. Prize gaming permits – (Statement of principles with regard to permits - Schedule 14 Paragraph 8 (3) of the Act)

3.1 The Gambling Act 2005 states that licensing authorities may 'prepare a statement of principles that they propose to apply in exercising their functions under this Schedule' which 'may, in particular, specify matters that the authority proposes to consider in determining the suitability of the applicant for a permit'.

3.2 The Council has prepared a statement of principles in this regard. These state that an applicant should set out the types of gaming that is intended to be offered and that the applicant should be able to demonstrate:

- an understanding of the limits to stakes and prizes that are set out in regulations;
- that the gaming offered is within the law; and
- clear policies that outline the steps to be taken to protect children from harm.

3.3 In making its decision on an application for a permit the Council does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.

3.4 It should be noted that there are conditions in the Gambling Act 2005 with which the permit holder must comply, but that the Council cannot attach conditions to permits. The conditions in the Act are:

- the limits on participation fees, as set out in regulations, which must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if a non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

4. Club gaming and club machine permits

4.1 Members' clubs and miners' welfare institutes (but not commercial clubs) may apply for a club gaming permit or a club machine permit. A club gaming permit will enable the premises to provide gaming machines (up to three machines of categories B, C or D), equal chance gaming (see Section 269 of the Act) and games of chance as set out in regulations. A club machine permit will enable the premises to provide gaming machines (up to three machines of categories B3A, B4, C or D).

4.2 The Gambling Commission's Guidance states: 'Members' clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is restricted to bridge and whist. A members' club must be permanent in nature, but there is no need for a club to have an alcohol licence'

4.3 The Commission's Guidance also notes that 'licensing authorities may only refuse an application on the grounds that:

- the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- the applicant's premises are used wholly or mainly by children and/or young persons;

- an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- a permit held by the applicant has been cancelled in the previous ten years; or
- an objection has been lodged by the Commission or the police’.

4.4 There is also a ‘fast-track’ procedure available under the Act for premises which hold a club premises certificate under the Licensing Act 2003 (Schedule 12, Paragraph 10). As the Gambling Commission’s Guidance states: ‘Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the grounds upon which a licensing authority can refuse a permit are reduced.’ and ‘The grounds on which an application under the process may be refused are:

- that the club is established primarily for gaming, other than gaming prescribed under Schedule 12;
- that, in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.’

4.5 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

5. Temporary use notices

5.1 Temporary use notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a temporary use notice, according to the Gambling Commission, would include hotels, conference centres and sporting venues.

5.2 A temporary use notice may be given by a person or company holding a relevant operating licence, i.e. a non-remote casino operating licence.

- 5.3 The Secretary of State has the power to determine what forms of gambling can be authorised by temporary use notices. The relevant regulations (SI no. 3157: The Gambling Act 2005 (Temporary Use Notices) Regulations 2007) state that temporary use notices can only be used to permit the provision of facilities or equal chance gaming, where the gaming is intended to produce a single winner. This, in practice, means poker tournaments.
- 5.4 There are a number of statutory limits with regard to temporary use notices. The meaning of “premises” in Part 8 of the Act is discussed in Part 7 of the Gambling Commission’s Guidance to Licensing Authorities. As with “premises”, the definition of “a set of premises” will be a question of fact in the particular circumstances of each notice that is given. In the Act, “premises” is defined as including “any place”.
- 5.5 In considering whether a place falls within the definition of “a set of premises”, the Council will look at, among other things, the ownership/occupation and control of the premises.
- 5.6 The Council expects to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises, as recommended in the Gambling Commission’s Guidance.

6. Occasional use notices

- 6.1 The Council has very little discretion with regard to these notices aside from ensuring that the statutory limit of eight days in a calendar year is not exceeded. However, the Council, with regard to relevant premises, will consider the definition of a ‘track’ and whether any applicant is permitted to avail him/herself of the notice.

This statement can be made available in large print, Braille, audio and other languages.

Please contact the Licensing Section on 0191 520 5550

or email licensing@sunderland.gov.uk for assistance.

Appendix 2

List of consultees

Arcadia Leisure Limited
Association of British Bookmakers
British Amusement Catering Trade Association
Coral Racing Limited
Done Brothers (Cash Betting) Limited
Gala Leisure Ltd
Grosvenor Casinos (GC) Limited
Keith Hodson Racing Ltd
Ladbrokes Betting and Gaming Ltd
Leisure Centre Holdings
Luxury Leisure
Mecca Bingo Limited
Mr David Taviner
Mr John Edward Mason
National Casino Forum
NECA Services Ltd (a local charity concerned with gambling misuse)
Power Leisure Bookmakers Limited
Rank Leisure Limited
Seven Stars Amusements Ltd
Shore Leisure Limited
Sunderland Association Football Club Ltd
Talarius Ltd
The Bingo Association
Northumbria Police
Tyne and Wear Fire and Rescue Service
The Lotteries Council
Trafalgar Leisure Ltd
William Hill Organisation Ltd

Appendix 3

BY EMAIL ONLY

Sunderland City Council
Licensing Section
Economy and Place Directorate
Jack Crawford House
Sunderland SR2 8QR

Please ask for:

Direct Tel:

Email:

Our ref: RJT / MJM / 097505.00005

#GS2007814

Your ref:

Date: 14th June 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, 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 Gambling Act 2005 Statement of Principles (draft updated 27/03/2018)

1.9 Location

Paragraph 1.9 of the draft Statement of Principles suggests that a specific policy could be decided upon with regard to areas where gambling premises should not be located. This reference should be deleted as any such policy is likely to be unlawful and is certainly contrary to the overriding principle contained in Section 153 Gambling Act 2005 that the Licensing Authority should aim to permit the use of premises for gambling. References to the possibility of this policy should therefore be deleted.

1.10 Local Risk Assessment

This section contains a list of bullet points which list matters that the Council will expect the local risk assessment to consider. The first bullet point requires that an operator consider in its risk assessment whether the premises is in an area of deprivation. This bullet point should be deleted. The purpose of the risk assessment is to identify local risks to the licensing objectives and to ensure that there are policies and control measures to mitigate those risks. The relevant affluence of an area has no bearing on any of the three licensing objectives unless the Licensing Authority has pre-determined that persons in certain income groups are either vulnerable or more likely to commit crime. We are certain that this

predetermination has not been made and in the circumstances, the first bullet point should be deleted.

Similarly, the final bullet point should be deleted as the relative proximity of other gambling premises cannot pose a risk to the licensing objectives.

1.20 Conditions

The draft Statement of Principles would be assisted if this section could be amended to contain a clear statement that all premises licenses issued under the Gambling Act 2005 are subject to mandatory and default conditions and that those conditions are usually sufficient to ensure operation that is reasonably consistent with the licensing objectives.

The draft Statement of Principles should also state that additional conditions will only be imposed where there is clear evidence in the circumstances of a particular case that there is a risk to the licensing objectives such that the mandatory and default conditions need to be supplemented. The evidential basis for the imposition of conditions should be made clear as it is extremely important. Conditions should not be imposed simply where there is “a perceived need” (paragraph 1.21) or “where it is believed to be appropriate” (paragraph 1.11). These two references should be removed.

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

Appendix 4

Comments on consultation response

Extract from consultation response	Comments
<p>“Other concerns</p> <p>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.”</p>	<p>The statutory guidance to licensing authorities issued by the Gambling Commission (Paragraph 6.51 therein) allows authorities to choose whether to include the local area profile in the statement of principles or publish it separately.</p> <p>It is proposed that the Council should publish the local area profile separately so that any revisions necessary may be made to it quickly without triggering the full statutory consultation process necessary to amend the statement of principles.</p> <p>The local area profile will always be made readily available to all interested parties via the Council’s website. It is therefore proposed that no amendment be made to the draft statement of principles in response to this suggestion.</p>
<p>“Considerations specific to the Draft Gambling Act 2005 Statement of Principles (draft updated 27/03/2018)</p> <p><u>1.9 Location</u></p> <p>Paragraph 1.9 of the draft Statement of Principles suggests that a specific policy could be decided upon with regard to areas where gambling premises should not be located. This reference should be deleted as any such policy is likely to be unlawful and is certainly contrary to the overriding principle contained in Section 153 Gambling Act 2005 that the Licensing Authority should aim to permit the use of premises for gambling. References to the possibility of this policy should therefore be deleted.”</p>	<p>The statutory guidance to licensing authorities issued by the Gambling Commission states, at Paragraph 5.4 therein, that: A licensing authority will need to consider questions raised by the location of gambling premises when formulating its statement of licensing policy”.</p> <p>The wording of the draft statement of principles also makes it clear that any revised to the statement would be justified by evidence.</p>

	<p>The Council's legal advice is not in agreement with the point made by the ABB and so it is not proposed to amend our draft statement of principles in response to this suggestion.</p>
<p><u>"1.10 Local Risk Assessment"</u></p> <p>This section contains a list of bullet points which list matters that the Council will expect the local risk assessment to consider. The first bullet point requires that an operator consider in its risk assessment whether the premises is in an area of deprivation. This bullet point should be deleted. The purpose of the risk assessment is to identify local risks to the licensing objectives and to ensure that there are policies and control measures to mitigate those risks. The relevant affluence of an area has no bearing on any of the three licensing objectives unless the Licensing Authority has pre-determined that persons in certain income groups are either vulnerable or more likely to commit crime. We are certain that this predetermination has not been made and in the circumstances, the first bullet point should be deleted.</p> <p>Similarly, the final bullet point should be deleted as the relative proximity of other gambling premises cannot pose a risk to the licensing objectives."</p>	<p>It is agreed that the Local Risk Assessment should address factors that may impact on the licensing objectives under the Gambling Act 2005.</p> <p>The objectives are:</p> <ul style="list-style-type: none"> (a) preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime, (b) ensuring that gambling is conducted in a fair and open way, and (c) protecting children and other vulnerable persons from being harmed or exploited by gambling. <p>There is no reason to consider that removal of the two bullet points would have a negative impact on Sunderland residents in relation to the licensing objectives and so the draft statement has been amended accordingly.</p>
<p><u>"1.20 Conditions"</u></p> <p>The draft Statement of Principles would be assisted if this section could be amended to contain a clear statement that all premises licenses issued under the Gambling Act 2005 are subject to mandatory and default conditions and that those conditions are usually sufficient to ensure operation that is reasonably consistent with the licensing objectives.</p> <p>The draft Statement of Principles should also state that additional conditions will only be imposed where there is clear evidence in the circumstances of a particular case that there is a risk to</p>	<p>The fact that gambling premises are subject to mandatory and, possibly, default conditions is merely a statement of the law and therefore unnecessary in a policy document. No change in our draft statement is therefore proposed in response to this suggestion.</p> <p>It is acknowledged that the wording of the draft statement upon which we consulted could be improved in this regard as conditions should not be imposed where there is merely a "perceived need". The draft statement has therefore been amended to</p>

<p>the licensing objectives such that the mandatory and default conditions need to be supplemented. The evidential basis for the imposition of conditions should be made clear as it is extremely important. Conditions should not be imposed simply where there is “a perceived need” (paragraph 1.21) or “where it is believed to be appropriate” (paragraph 1.11). These two references should be removed.”</p>	<p>indicate that conditions will only added to a licence where there is an evidential basis for the action. The phrase “where it is believed to be appropriate” appears in Part B, Paragraph 1.1 of the draft statement of principles. This paragraph has also been amended to indicate the requirement for evidence.</p>
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