

## LICENSING COMMITTEE

<b>DATE</b>	10 <sup>th</sup> March 2021
<b>REPORT OF</b>	Sharon Wroot Executive Director of Environment Economy & Resources
<b>SUBJECT</b>	Gambling Act Fees Review
<b>STATUS</b>	Open

### CONTRIBUTION TO OUR AIMS

#### **Stronger Community:**

- Improve health and well-being by working with the Gambling Commission to address the issue of problem gambling.
- Create a safer and more secure area by working with partners to promote the objectives of the Gambling Act.

#### **Stronger Economy:**

- Strengthen the local economy by providing an environment in which responsible and legal gaming can operate effectively.

### EXECUTIVE SUMMARY

This report proposes changes to the fee structure for licensed gambling premises in North East Lincolnshire and sets out the reasons why these changes are required.

### RECOMMENDATION

That Committee approves the new fees for Gambling Act premises licences as set out in appendix 1, to be introduced from 1st April 2021

### REASONS FOR DECISION

An appropriate and justifiable fee structure is required for the effective operation of the licensing and control of gambling premises in North East Lincolnshire.

## 1. BACKGROUND AND ISSUES

- 1.1. The Gambling Act 2005 (referred to as 'the Act' from this point on), which came into force in April 2007 regulates the operation of a wide range of gaming/gambling activities including slot machines (Amusement with Prizes Machines), Casinos, Betting Offices, Bingo, Prize Gaming and Small Lotteries.

1.2. The operation of the Act mirrors that of the Licensing Act 2003 in many respects and is based on 3 statutory objectives:

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

1.3. Licensing Authorities (Local Authorities) have a significant number of responsibilities in relation to gambling control –

- Issuing premise licences for the various types of gambling establishments.
- Issuing provisional statements for proposed developments.
- Regulating members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via "club gaming or club machine permits".
- Issuing club machine permits to commercial clubs.
- Receiving notifications from licensed alcohol premises (under the Licensing Act 2003) of the use of two or fewer gaming machines.
- Issuing licensed alcohol "on" premises with gaming machine permits for more than two machines.
- Registering small society lotteries below prescribed thresholds.
- Issuing prize gaming permits.
- Receiving and endorsing temporary use and occasional use notices.
- Providing information to the Gambling Commission regarding details of licences issued and maintaining registers of the permits and licences that are issued.
- Enforcing the requirements of the Act and promoting the statutory objectives through inspections, intelligence gathering and Test Purchasing operations.

1.4. At the time of drafting this report the number of gambling premises in North East Lincolnshire was as follows:

Betting Premises: 25

Bingo Premises: 1

Adult Gaming Centres: 14

Family Entertainment Centres: 4

Unlicensed Family Entertainment Centres: 9

- 1.5 In order to fund this licensing regime Section 212 of the Act allows the Licensing Authority to set fees for gambling premises to a maximum level prescribed by regulations on a cost recovery basis. This power has been delegated to the Licensing Committee.
- 1.6 The fees for permits are set by statute and cannot be changed.
- 1.7 In October 2020 a review of the fee structure was undertaken with particular reference to the following matters:
- The increased awareness and concern about the harm and distress that problem gambling can cause, in particular for vulnerable and young people against a backdrop of economic recession and pandemic.
  - The monitoring of the Local Area Profile in North East Lincolnshire Council's Gambling Policy that provides information to assist operators with the local risk assessments required in relation to their premises.
  - The on-going need to fully incorporate this authority's cost recovery mechanism using current data.
  - Work to investigate the supervision of Gaming Machines in Alcohol Licensed Premises and their use by children.
  - Work with Public Health around the effects of Gambling addiction.
- 1.8 Following the review a new fee structure was drawn up and the details are set out in appendix 1.

## **2. RISKS AND OPPORTUNITIES**

- 2.1 Preventing Gambling being associated with crime is one of the objectives of the Act and investment in effective enforcement is critical in this respect.
- 2.2 There is a risk that if the fees are set at an extreme level the livelihood of operators may be adversely affected. If fees are not set an appropriate level to fund the licensing regime the human rights of people affected by the trade may not be adequately protected.
- 2.3 There is a risk that if fees are set too low the service will be a cost to the Authority; if they are set too high there will be an adverse effect on the trade and income will not be maintained. The fact that income cannot be guaranteed due to businesses ceasing to trade for any reasons is also a risk in relation to financial forecasts.
- 2.4 The promotion of the objectives of the Gambling Act will help support the social and economic wellbeing of those involved in the gambling trade and those affected by it. As with any fee rises the trade would prefer as little increase as possible.

### **3. OTHER OPTIONS CONSIDERED**

- 3.1 Alternative fees could be set but they would not comply with Section 5 of this report in relation to cost recovery.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1 There are potential reputational implications in relation to this decision. These could be positive in terms of cost recovery for the community, but the trade could perceive any increased fees negatively. An action plan has been agreed with the Council's communications service covering information requirements and communication channels to be utilised.

### **5. FINANCIAL CONSIDERATIONS**

- 5.1 The proposal outlined within the report supports the Council's key financial objectives to shift our financial resource to support delivery of the Council's vision and reduce reliance on central government funding. The proposal is consistent with the Council's charging and income generation policy and will help to contribute to improved value for money within the service.

### **6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

- 6.1 No Implications

### **7. FINANCIAL IMPLICATIONS**

- 7.1 Fees are set in order to fully recover the costs of the service.

### **8. LEGAL IMPLICATIONS**

- 8.1 Section 212 of the Gambling Act 2005 and The Gambling (Premises Licence Fees) (England & Wales) Regulations 2007 set out the statutory provisions and limitations for setting gambling fees.
- 8.2 The Local Authority can set fees for gambling premises to a maximum level prescribed by the regulations. The fees must be reasonable and proportionate to recover its costs in the administration of the applications and further costs to ensure compliance.

### **9. HUMAN RESOURCES IMPLICATIONS**

- 9.1 No Implications

### **10. WARD IMPLICATIONS**

- 10.1 All Wards

### **11 BACKGROUND PAPERS**

- 11.1 None

**12 CONTACT OFFICER**

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**SHARON WROOT  
EXECUTIVE DIRECTOR OF ENVIRONMENT ECONOMY & RESOURCES**

<b>APPENDIX 1 - PROPOSED GAMBLING ACT FEES 2021-2022</b>		
	Current	Proposed
<b>Bingo Premises Licence</b>		
<b>Application fee for Provisional Statement</b>	£863	£893
<b>Licence for Provisional Statement Premises</b>	£548	£569
<b>Application for new Premises</b>	£863	£893
<b>Annual Fee</b>	£900	£903
<b>Variation of a Licence</b>	£618	£623
<b>Transfer of a Licence</b>	£548	£569
<b>Application for reinstatement of a Licence</b>	£548	£569
<b>Adult Gaming Centre</b>		
<b>Application fee for a Provisional Statement</b>	£863	£893
<b>Licence for Provisional Statement Premises</b>	£548	£569
<b>Application fee for a New Premises</b>	£863	£893
<b>Annual Fee</b>	£900	£903
<b>Variation of a Licence</b>	£618	£623
<b>Transfer of a Licence</b>	£548	£569
<b>Application for reinstatement of a Licence</b>	£548	£569
<b>Family Entertainment Centre</b>		
<b>Application fee for a Provisional Statement</b>	£863	£893
<b>Licence for a Provisional Statement Premises</b>	£548	£569
<b>Application fee for a New Premises</b>	£863	£893
<b>Annual Fee</b>	£680	£683
<b>Variation of a Licence</b>	£618	£623
<b>Transfer of a Licence</b>	£548	£569
<b>Application for reinstatement of a Licence</b>	£548	£569
<b>Betting Premises</b>		
<b>Application fee for a Provisional Statement</b>	£863	£893
<b>Licence for a Provisional Statement</b>	£548	£569

<b>Premises</b>		
<b>Application fee for a New Premises</b>	£863	£893
<b>Annual Fee</b>	£600	£600#
<b>Variation of a Licence</b>	£618	£623
<b>Transfer of a Licence</b>	£548	£569
<b>Application for reinstatement of a Licence</b>	£548	£569

# - Max Permitted Fee