

TITLE OF REPORT: Gambling Statement of Principles 2019 - 2022

REPORT OF: Tony Alder, Acting Strategic Director, Communities and Environment

Purpose of the Report

1. The purpose of this report is for Cabinet to approve and recommend to Council a Statement of Principles for 2019 – 2022 in accordance with the Gambling Act 2005.

Background

2. Under the Gambling Act 2005 licensing authorities are required to prepare and publish every three years a Statement of Principles that they propose to apply when exercising their functions.
3. The Act contains three licensing objectives, which underpin the functions that the Gambling Commission and Councils perform. These 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;
4. On the 17 July 2018 Cabinet gave approval for a widespread public consultation on a draft revised Statement of Principles. The consultation took place over a 12 week period between July and October 2018.
5. The responses to the consultation were considered by the Communities and Place Overview and Scrutiny Committee on 29 October 2018 and advice was given as to how the draft statement should be amended. Notes from the meeting are attached in Appendix 2.
6. An Executive Summary of the Statement of Principles is attached in Appendix 3. Full details of the statement can be viewed online within the agenda folder for this meeting and hard copies are available in the Members' room.

Proposal

7. Cabinet is asked to recommend to Council the amended Statement of Principles.

Recommendations

8. Cabinet is asked to recommend the Council that the amended Gambling Statement of Principles, as set out in appendix 4, be adopted and published in accordance with the requirements of the Gambling Act 2005.

For the following reason:

To ensure that the Council's functions under the Gambling Act 2005 can be discharged effectively.

CONTACT: Elaine Rudman ext: 3911

Policy Context

1. The adopting of a Gambling Statement of Principles will allow the Council to carry out its duties as a Licensing Authority under the Gambling Act 2005 and in accordance with guidance issued to local authorities by the Gambling Commission September 2015 (updated 2016). The Statement of Principles supports the overall vision for Gateshead as set out in Council policy objectives including 'Thrive'.

Background

2. The Gambling Act 2005 was implemented in September 2007. It transferred the responsibility for the licensing of gambling premises from Magistrates to local authorities and introduced for the first time, a unified regulator for gambling, the Gambling Commission, replacing the Gaming Board for Great Britain.
3. Under the Act, the Council is responsible for issuing premises licences for premises such as casinos, bingo halls, betting offices, adult gaming centres and licensed family entertainment centres as well as permits for gaming machines in pubs, clubs and other alcohol licensed premises.
4. The Act contains three licensing objectives, which underpin the functions that the Gambling Commission and Councils perform. These 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;
5. Licensing authorities are required to prepare and publish, every three years, a Statement of the Principles that they propose to apply when exercising their functions. In preparing such a statement, licensing authorities must follow the procedure set out in the Act as well as the accompanying guidance. The first statement was published in January 2007, with subsequent statements published in January 2010, January 2013 and January 2016.

Consultation

6. The Statement of Gambling Principles has been produced following a wide consultation process. A draft statement was produced in accordance with the requirements of the guidance, in consultation with all relevant groups and services within the Council and was circulated for public consultation during a 12 week period between 30 July and 19 October 2018.
7. Seven responses to the consultation were received, and the Communities and Place Overview and Scrutiny Committee considered these on 29 October 2018. The Committee gave advice for amendment to the draft statement and guidance to incorporate some of the feedback received from the consultees. Notes from the Communities and Place Overview and Scrutiny Meeting are attached in Appendix 2.

8. The draft statement has been revised in accordance with the advice of the Communities and Place Overview and Scrutiny Committee.
9. An Executive Summary of the Statement of Gambling Principles is attached at Appendix 3.

Alternative Options

10. No alternative options are considered appropriate as the Licensing Authority has a statutory duty under the Gambling Act 2005 to prepare and publish a statement of its principles at this time.

Implications of Recommended Option

11. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources, confirms that there are no additional financial implications arising from this report.
 - b) **Human Resources Implications** – There are no human resources implications from the recommended options.
 - c) **Property Implications** - There are no property implications from the recommended options
12. **Risk Management Implications** - There are no risk management implications from the recommended options.
 13. **Equality and Diversity Implications** - an Equality Impact Assessment Initial Screening pro-forma has been completed and indicates that the policy has a neutral impact.
 14. **Crime and Disorder Implications** – There are no crime and disorder implications from the recommended option.
 15. **Health Implications** – The revised policy recognises that gambling related harm is a public health issue and places expectations on operators of gambling premises in this respect.
 16. **Sustainability Implications** - There are no sustainability implications from the recommended options
 17. **Human Rights Implications** - There are no human rights implications from the recommended options
 18. **Area and Ward Implications** - This report affects all wards equally.
 19. **Background Information**

The following documents have been considered in preparation of the report:

- Gambling Act 2005

- Guidance to Licensing Authorities 5th Edition
Gambling Commission (September 2015, revised 2016)
- Briefing Paper – Gambling related harm as a public health issues
Gambling Commission

GATESHEAD METROPOLITAN BOROUGH COUNCIL
COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE
MEETING

Monday, 29 October 2018

- PRESENT:** Councillor N Weatherley (Chair)
- Councillor(s): T Graham, D Burnett, B Clelland, S Dickie, K Dodds, A Geddes, F Geddes, H Haran, S Hawkins, H Kelly, J McClurey, K McClurey, J Simpson, J Turnbull and A Wheeler
- IN ATTENDANCE:** Councillor(s): J Adams, M Brain, Councillor M Henry, Councillor L Green, I Patterson
- APOLOGIES:** Councillor(s): M Hood, A Douglas

CPL14 CONSULTATION RESPONSES - STATEMENT OF GAMBLING PRINCIPLES

The Committee received a report on the Consultation Responses which have been received as a result of the consultation on the Statement of Gambling Principles for 2019 – 2022. The Council is required to publish a Statement of Gambling Principles every three years. The Statement sets out Gateshead Council's policy regarding premises and activities licensed or regulated under the Gambling Act 2005.

The Policy was drawn up in consultation with all relevant groups and services within the Council and a widespread public consultation took place between 30 July and 19 October 2018. The views of the Communities and Place Overview and Scrutiny Committee were sought on the responses and proposed amendments as a result of the responses.

The Committee were asked to consider the following

7 responses were received:

1. Councillor Brenda Clelland

Councillor Clelland questioned whether the reference to 'having had high blood pressure', referred to in section 4.1 Prevalence of Gambling and Gambling Harm in Gateshead_was correct;

For consideration:

Gerald Tompkins, Consultant in Public Health, responded as follows – 'Yes, a history of high blood pressure has been identified as a risk factor, and yes I'd agree it does seem odd. However, we also know there are higher rates of smoking and alcohol consumption amongst problem gamblers, both of which are associated with high blood pressure. There is also an issue of problem gambling among those who are economically inactive and it would be no surprise to find higher prevalence of high blood pressure in this group

which includes the long-term sick; and there is of course greater levels of stress in this population, and stress is also linked to hypertension. High blood pressure therefore cuts across a number of the other risk factors.

Nevertheless. I'll look again at the wording of this section, as it might prove a distraction from the focus on other factors.'

Proposed new wording:

Replace:

'Factors associated with problem gambling include:

- being male
- being from Black/Black British, Asian/Asian British or other non-White backgrounds
- having low mental wellbeing
- having ever had high blood pressure.'

with

'The majority of problem gamblers are men, and the groups where the evidence base for vulnerability to gambling harm is strongest include the following:

- ethnic groups
- youth
- people with low IQ
- substance abuse/misuse
- poor mental health.

source: Gambling-related harm as a public health issue: Briefing paper for Local Authorities and local Public Health providers (Gambling Commission, February 2018).'

2. Councillor Neil Weatherley

Councillor Weatherley confirmed that he was content with the changes included in the draft Statement of Principles.

For consideration:

Agree

3. Jazz Chamley, Tyneside Services Manager, Gateshead Evolve

Ms Chamley confirmed that Evolve do not currently provide gambling treatment services in Gateshead therefore it was not possible to comment on the draft Statement of Principles

For consideration:

Not applicable

4. Rob Burkitt, Lead – Shared Regulation and Better Regulation, Gambling Commission

Rob Burkitt confirmed that he was happy with the changes included in the draft Statement of Principles

For consideration:

Agree

5. Catherine Sweet, Head of Marketing and Communications, Gamcare

Gamcare sent the following generic response to all licensing authorities who consulted with the organisation.

'The function of the Statement is to reflect locally specific gambling concerns and to reflect the Council's wider strategic objectives. The active use of the Statement is one means by which you can make clear your expectations of gambling operators who have premises in your area. This allows operators to respond to locally specific requirements and adjust their own policies and procedures as required.

- A helpful first step is to develop a risk map of your local area so that you are aware of both potential and actual risks around gambling venues. A useful explanation of area-based risk-mapping has been developed with Westminster and Manchester City Councils, which gives some guidance on those who may be most vulnerable or at-risk of gambling-related harm. For more information please see www.geofutures.com/research-2/gambling-related-harm-how-local-space-shapes-our-understanding-of-risk/
- Consider that proposals for new gambling premises which are near hostels or other accommodation or centres catering for vulnerable people, including those with learning difficulties, and those with gambling / alcohol / drug abuse problems, are likely to adversely affect the licensing objectives set out by the Gambling Commission. This is also relevant regarding the proximity to schools, colleges and universities.
- A detailed local risk assessment at each gambling venue – pertinent to the environment immediately surrounding the premises as well as the wider local area – is a good way to gauge whether the operator and staff teams are fully aware of the challenges present in the local area and can help reassure the Local Licensing Authority that appropriate mitigations are in place.
- Does the operator have a specific training programme for staff to ensure that they are able to identify children and other vulnerable people, and take appropriate action to ensure they are not able to access the premises or are supported appropriately?
- Does the operator ensure that there is an adequate number of staff and managers are on the premises at key points throughout the day? This may be particularly relevant for premises situated nearby schools / colleges / universities, and/or pubs, bars and clubs.
- Consider whether the layout, lighting and fitting out of the premises have been designed so as not to attract children and other vulnerable persons

who might be harmed or exploited by gambling.

- Consider whether any promotional material associated with the premises could encourage the use of the premises by children or young people if they are not legally allowed to do so.

We would suggest that the Local Licensing Authority primarily consider applications from GamCare Certified operators. GamCare Certification is a voluntary process comprising an independent audit assessment of an operator's player protection measures and social responsibility standards, policy and practice. Standards are measured in accordance with the GamCare Player Protection Code of Practice. If you would like more information on how our audit can support Local Licensing Authorities, please contact mike.kenward@gamcare.org.uk

For consideration:

Gateshead Council is already committed to mapping risk relating to gambling-related harm and this is reflected in the draft Statement of Principles.

Inspections undertaken of all gambling premises in the borough ensure that local risk assessments, staff training programmes, staffing levels, layout of premises and promotional materials are regularly reviewed.

No further change to the proposed Statement of Principles is necessary in response to this consultation response.

6. Gosschalks Solicitors, on behalf of the Association of British Bookmakers

In addition to a substantial generic response, the Association of British Bookmakers has made the following specific comments:

- Paragraph 4.1 is headed 'Prevalence of Gambling and Gambling Harm in Gateshead' and then indicates that there is no local data currently available on the prevalence of gambling in Gateshead. Instead, this section seeks to extrapolate figures from the Natcen Social Research 'Gambling Behaviour in Great Britain in 2015'. We respectfully submit that if figures are to be extrapolated, they should be extrapolated from more recent figures based on England alone. The Gambling Commission, in association with NHS Digital has published figures (on the Gambling Commission website) from the Health Survey England 2016 and if the national lottery is excluded, that the figure is reduced to 42% of people in England. These figures also show that 0.7% of people in England identified as problem gamblers. On the basis that more recent and more local figures are available, this paragraph should be amended to reflect this.
- Paragraph 4.7 contains a list of 3 bullet points detailing matters that the Licensing Authority expects local risk assessments to consider as a minimum. The second bullet point refers to areas of 'high deprivation'. This bullet point should be deleted. The relative affluence of an area can have no bearing on any risk to the licensing objectives unless the Licensing Authority has pre-determined that persons within the area are automatically vulnerable or more likely to commit crime as a result

of gambling. We are certain that this pre-determination has not been made.

- Paragraph 7.10 requires that licensees have a full understanding of the principles of mental capacity set out in the Mental Capacity Act 2005. This paragraph should be deleted and replaced with a paragraph that requires that gambling operators ensure staff receive training to ensure that those staff are able to recognise behavioural signs of vulnerability.

For consideration

With respect to Paragraph 4.1 replace:

‘This suggests 63% of adults (aged 16+) had gambled in the previous year, or 45% if we exclude the National Lottery – this is equivalent to 75,400 people. The great majority of these will be non-problem or low-risk gamblers, but a small proportion will be at moderate risk or be problem gamblers. Nationally, it is estimated less than 1% of the population is a problem gambler, and this equates to just over 1000 people locally, most of whom (more than 90%) will be men.’

with

‘This suggests 56% of adults (aged 16+) had gambled in the previous year, or 42% if we exclude the National Lottery draws – this is equivalent to 70,200 people. The great majority of these will be non-problem or low-risk gamblers, but a small proportion will be at moderate risk or be problem gamblers. Nationally, it is estimated less than 1% of the population is a problem gambler, and this equates to nearly 1200 people locally, most of whom (around 85%) will be men; additionally there will be about 1800 local people who are at moderate risk of gambling-related harm.’

With respect to Paragraph 4.7, ‘areas of high deprivation’ can be removed given the requirement to consider vulnerability, which we should base on the list of risk factors, all of which we can map and which will have distribution very similar to deprivation.

With respect to Paragraph 7.10 it is not felt that the ABB proposal is sufficient and that staff need both an understanding of the risk factors and what they should do if someone is vulnerable. It is recommended that the Statement of Principles is not amended.

7. Tim Briton, Legal and Democratic Services

Tim Briton responded as follows:

The proposed amendments help to update and clarify the Statement of Principles, and are supported by Legal Services.

I note that the Gambling Commission have suggested that the Council does not have the ability to control the number of betting machines in premises or the nature of those machines. This is addressed by section 181(1)(a) of the Act. There are other Councils that also make reference to this power in their

Statements of Principles, eg eg Tamworth, Spelthorne and Leeds. I would propose not making this amendment to the Statement of Principles.’

For consideration

Rob Burkitt, Lead – Shared Regulation and Better Regulation, Gambling Commission has clarified that Section 181(1)(a) of the Gambling Act 2005 allows licensing authorities to limit self-service betting terminals rather than fixed odds betting terminals which are actually Category B gaming machines. On that basis the proposed change to the Statement of Principles should remain.

RESOLVED - That the Committee agreed to the proposals being taken to Cabinet for incorporation into the Statement of Gambling Principles for 2019 – 2022.

Draft Statement of Gambling Principles 2019 - 2022

Executive Summary

Gateshead Council has a statutory duty to prepare publish, every three years, a Statement of the Principles that will be applied when exercising its functions under the Gambling Act 2005.

This Statement of Principles provides information and guidance to applicants, responsible authorities and interested parties on the overall approach that Gateshead Council will take to applications, compliance and enforcement under the Gambling Act 2005.

It sets out what this Licensing Authority expects of the people that it authorises to carry out Gambling activities in the Borough.

The Statement of Principles seeks to achieve the three licensing objectives of the Gambling Act 2005, namely –

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

and sets out the issues that are of particular relevance or concern within Gateshead and the approaches that the Licensing Authority would expect responsible licensees to take into account in order to promote these objectives.