Local Government House, Smith Square, London SW1P3HZ

Gambling Bill

House of Commons Second Reading – Monday 1 November 2004



Introduction

This paper outlines the key messages of the Local Government Association (LGA) on the Gambling Bill. The LGA speaks for around 500 authorities that represent over 50 million people and spend around £78 billion pounds per annum.

The LGA exists to promote better local government. We work with and for our member authorities to realise a shared vision of local government that enables local people to shape a distinctive and better future for their locality. The LGA aims to put local councils at the heart of the drive to improve public services and to work with government to ensure that the policy, legislative and financial context in which they operate supports that objective.

Background

The Draft Gambling Bill was published on 15 July 2003 and went through prelegislative scrutiny before being published on 19 October. The LGA has worked closely with the Government on this legislation and given written and oral evidence to the Joint Committee. The legislation sets up a new regulator, the Gambling Commission, to licence gambling operators and individual staff and gives local authorities new powers to licence gambling premises. Following our evidence to the Committee, the Government introduced powers in the legislation for local authorities to resolve not to allow new casinos in their area.

LGA key messages

- The LGA welcomes the Bill's transfer of licensing powers over gambling premises to local councils because this will give residents a stronger voice on the granting of licences, as decisions will be made by elected local representatives who are accountable to their communities.
- We also welcome the Government's decision to introduce additional powers for local authorities to resolve not to allow new casinos in their area but we feel that this power should be extended to all kinds of gambling premises
- We believe the Bill should be strengthened through the addition of a new licensing objective of "the prevention of public nuisance"
- We also believe that the Bill should be amended to enshrine the right of local elected representatives to sit on the Gambling Commission
- We have further concerns around fee levels, licensing committees, and the expected timetable

The transfer of responsibility for the licensing of Gambling premises to councils

The LGA supports the transfer of responsibility for the licensing of Gambling premises to councils because this will give residents a stronger voice on the granting of licences, as decisions will be made by elected local representatives who are accountable to their communities. The new responsibilities will also compliment the work of councils in developing Community Plans and Crime and Disorder strategies, as well as their responsibilities for the protection of children and vulnerable people (who could be at an increased risk from any increase in the availability of gambling opportunities).

In some areas relaxation of gambling restrictions may also bring benefits in terms of tourism and regeneration strategies. Some councils have however expressed concern that in deprived areas, particularly if these are areas unlikely to attract tourists anyway, regeneration through the relaxation of gambling laws is unlikely to have the desired effect on addressing local poverty in the short term. It is the view of LGA that the opportunities for employment in gambling premises for members of disadvantaged communities are likely to be low skilled, and we would be keen to see opportunities for "up skilling" provided by gambling operators, to allow them to access to wider employment opportunities.

- Powers for local councils to resolve not to have new casinos in their area The LGA believes that this bill should give councils genuine freedoms and flexibilities to respond to the needs of their local communities. In particular, the LGA will continue to press for local communities to be given as much freedom as possible to determine whether they wish to take advantage of increased gambling opportunities in their area or not. Following our evidence to the Joint Scrutiny Committee on the draft Bill, the Government has introduced into the Bill additional powers for local authorities to resolve not to allow new casinos in their area. While we welcome this power, we believe that this should to be extended to all kinds of gambling premises, as recommended in the report of the Gambling Review Body.
- Prevention of public nuisance to be a licensing objective

The licensing objectives set out in Clause 1 of the bill do not address potential problems of nuisance arising in the street outside gambling premises. This is particularly likely late at night and when alcohol has been consumed. While the Environmental Protection Act 1990 places a duty on local authorities to deal with statutory nuisances arising from the premises itself, and to investigate residents' complaints, it is not possible to use this legislation to deal with street nuisance, even where the problem is directly attributable to a particular venue.

This omission will seriously hamper the ability of councils to ensure effective management of the environment around gambling premises and provides residents with little scope to make representations should street nuisance occur. The LGA believes that a new licensing objective of "the prevention of public nuisance" should be added to Clause 1.

Relationship with the Gambling Commission

Part 2 and Schedule 3 of the Bill creates the new Gambling Commission that will issue guidance to councils on their new function. It is essential that, from the start, the relationship between councils and the Commission is transparent and recognises the role of councils in leading their communities and working with others in order to promote well-being.

The LGA believes that local interests should be represented within the Gambling Commission at Commission, strategic and operational level. This could be achieved by pursuing a similar model to that between councils and the Health and Safety

Commission, with a local authority elected member appointed by the Secretary of State as a Commissioner. The Bill should be amended to enshrine the right of local elected representatives to sit on the Gambling Commission.

Fees for issuing licences

The LGA believes that there should be local discretion for councils to set the fee for gambling premises licences to ensure recovery of the full cost of the service. DCMS has indicated that local authorities will have some discretion in setting fees but within nationally prescribed limits. We want assurances that this system will ensure cost recovery for all authorities so that the burden does not fall to council tax payers.

> Licensing committees

Clause 146 of the Bill requires that the council's Licensing Committee as created under the Licensing Act 2003 determine gambling premises licence applications. This is not helpful to councils as the relevant sections of the Licensing Act 2003 already place unreasonably restrictive restrictions on those Committees before any new functions are added. For example, the number of members of the main committee and the number and membership of the sub-committees is prescribed.

This is already causing councils significant logistical difficulties in planning to deal with applications under the Licensing Act, expected from February 2005. In large authorities an unreasonable burden of work will be required of a relatively small number of councillors – daily meetings have been scheduled for Westminster City Council's sub Committees, while in small authorities a significant proportion of the total members of the Council, up to 50% in some areas, may be needed to sit on Licensing Sub-Committees with possible detriment to other work of the Council.

We are disappointed that DCMS did not respond to our concerns in this matter when drafting the Bill. The LGA believes that Schedule 13 of the Bill should amend the Licensing Act 2003 to give councils the freedom to set up Committees as local circumstances dictate, with the power for reasonable delegation to officers, compliant with the Human Rights Act 1998.

> Timetable for change

The timetable for implementation of this legislation must be realistic and achievable taking into account that councils will also have to implement the major changes resulting from the Licensing Act 2003 in the next year. We want to see a minimum six month period from the end of the Licensing Act transition period before any applications for gambling premises licences are received to enable development of and consultation on policy, training, staffing and so on.

Further information

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