

**Meeting:** Safer and Stronger Communities Board

**Date:** Thursday 23<sup>rd</sup> March 2023



## **Gambling licensing**

### **Purpose of report**

For sign off

### **Summary**

This paper provides an update on gambling licensing reform, and also outlines a set of principles (Appendix A) for Board members to reaffirm to inform the LGA's ongoing lobbying activity on gambling.

**Is this report confidential?** No

### **Recommendation/s**

That the Safer and Stronger Communities Board reaffirm a set of principles to inform the LGA's ongoing lobbying activity on gambling licensing reform.

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# Gambling licensing - update



## Background

1. The Government launched the Gambling Act review in December 2020 and the [LGA submitted evidence in March 2021](#). The publication of the Gambling Act Review White Paper is now well overdue, and we are aware that officials are working with the recently confirmed new Minister, Stuart Andrew MP, and his team to publish it as soon as possible.
2. The Safer and Stronger Communities Board has been lobbying for reform of gambling regulation for many years. Historically, our focus has been on stronger powers for local decision makers to decide whether and where new gambling premises should open in their community and revising the aim to permit.
3. As we are expecting the publication of the Gambling Act review white paper imminently, Lead Members requested a discussion at the Board to reaffirm the LGA's core lobbying priorities on gambling. Lead Members have asked officers to develop a position paper (copied below) that, if agreed, will guide the LGA's lobbying.
4. The position paper focuses on powers for councils to make decisions on land-based (non-remote) gambling premises, as that is the most pressing issue within councils' area of regulatory responsibility. Examples of issues councils have experienced are listed under the draft position paper.
5. Subject to the principles in the position paper being agreed, Lead Members will write to the new Minister to share the LGA's position paper and offer the LGA's support with the outcomes of the Gambling Act review.
6. Separately, the DCMS Select Committee has recently launched an inquiry examining the effectiveness of gambling regulation. The LGA has submitted evidence to the inquiry in line with our evidence to the Gambling Act review and we will continue to monitor developments closely.
7. Officers are also in the process of [updating the LGA's guidance on taking a whole council approach to gambling related harms](#) and hope to have an updated version ready in the spring.

## Implications for Wales

8. The Gambling Act 2005 applies in both England and Wales. The LGA will continue engagement with colleagues at the Welsh LGA on gambling licensing.

## Financial Implications

9. N/A

## **Equalities implications**

10. There are equalities concerns associated with gambling, with evidence showing certain groups are at a higher risk of gambling harms, and that clustering of gambling premises tends to occur in more deprived areas. In 2021 [Public Health England published a comprehensive gambling-related harms evidence review](#). The findings of this review will continue to inform the LGA's work on gambling.

## **Next steps**

11. The LGA will share the Board's position paper with the Gambling Minister and continue to monitor developments with the Gambling Act Review closely.

## **Appendix A**

### **Gambling licensing position paper**

#### **Introduction**

The publication of the Gambling Act Review White Paper is now well overdue, and we are aware that officials are working with the new Ministerial team to publish it as soon as possible. Gambling licensing reform has been a priority issue for the Safer and Stronger Communities Board for several years, and the Board's Lead Members have asked to reaffirm a set of principles to inform the LGA's ongoing lobbying activity.

#### **Context**

Licensing authorities are responsible for overseeing gambling in land-based premises (such as betting shops, adult gaming centres and bingo halls) and do this by setting the local framework for gambling, making decisions on licence applications, and undertaking enforcement activity. Under the Gambling Act 2005, licensing authorities are bound by a statutory 'aim to permit' gambling, meaning they must accept gambling premises applications if they are made in accordance with the three licensing objectives: preventing gambling from being a source of crime or disorder, ensuring that gambling is conducted in a fair and open way, and protecting children and vulnerable people from harm. However, they can block new local casinos through a 'no casino resolution', meaning councils have a contradictory mix of powers under the Act.

Many councils have expressed frustration about their lack of powers to determine whether/where new premises open in a local area, whether that is a single premises opening somewhere inappropriate or preventing multiple gambling premises clustering in an area, particularly as evidence shows that clusters are typically located in more deprived areas, where the potential harm from gambling may be exacerbated. In 2021 Public Health England published a comprehensive gambling-related harms evidence review found that the annual societal costs of gambling related harm are likely to be in the region of £1.05-£1.77 billion and that the most socio-economically deprived and disadvantaged groups in England have the highest levels of harmful gambling and are most susceptible to harm.

#### **LGA principles for land-based licensing reform**

- The aim to permit goes against the principle of local democracy and the fact that councils are place makers. It fails to recognise that ultimately councils and the local community know best what is right for their community and should have the flexibility to decide whether and where to grant a gambling premises licence.
- Councils are not anti-gambling and betting shops but should be able to determine what is best for their local high streets and town centres, whether that means permitting, or not permitting, a new premises. There will be circumstances where councils prefer that premises should be used for shops, cafes or other leisure facilities to add to the economic vibrancy of town centres and high streets, or may consider that due to proliferation of existing betting shops or other gambling premises an

additional gambling premises is inappropriate; and these views should be given due weight in the licensing process.

- Whether through a cumulative impact assessment or other legislative tool, the Government should therefore bring forward a new legal power which in specific circumstances would allow licensing authorities to override the statutory 'aim to permit' and refuse to grant new premises licences, including where this reflects the wishes of local residents.
- The Government should consult on reforming the Gambling Act 2005 so that its objectives reflect a broader range of issues for councils to consider in reaching licensing decisions, for example the introduction of health as a licensing objective, or consideration of replicating the Licensing Act 2003 public nuisance objective.
- Gambling operators should make a mandatory contribution to contribute to the costs of research, education and treatment of gambling related harm, replacing the current voluntary contribution for this.

## **Case studies of issues**

### **Leeds City Council**

The council received an application for a betting shop licence which was located next to an independent toy shop and opposite a primary school. The local councillors, residents and licensing officers opposed this licence due to concerns about the proximity to large numbers of children and young people. However, when this went to review, the aim to permit was used by the QC the gambling operator had hired and as there was no direct evidence the premises would have an adverse effect on children and young people, the Licensing Committee was unable to refuse the licence.

In another example, one gambling operator wanted to open a new bingo premises in the Harehills area of Leeds. Leeds City Council takes a public health approach to gambling related harm, so therefore had information showing that this area has high levels of deprivation and many vulnerable adults and children. In particular, this area is home to large numbers of looked after children, children with lower education attainment and has high levels of youth offences. Additionally, this area also has significant amounts of alcohol related harm – with many problem drinkers, significant numbers of alcohol premises, and high levels of alcohol related crime, anti-social behaviour and alcohol related admissions to hospital. It was felt that this was an inappropriate area for another gambling premises to open in, particularly as there was already a significant clustering of gambling premises. Due to these factors, the council did not want to grant this licence and worked to refuse it. However, the application was eventually granted because the operator had argued they had provisions in place to mitigate against these challenges, and due to the aim to permit, it was difficult to refuse this application.

### **Worcestershire**

One licensing authority in the Worcestershire area received an application for a bingo premises licence. The site the bingo premises is situated in is a former bank, so enjoys a prominent location near to the high street and close to a taxi rank. Licensing Committee members did not want this premises to open, as it was felt that there were already enough gambling premises in that location. Again, the aim to permit was problematic. Given that this was a new application with no evidence of gambling problems linked to the specific proposed premises, the lawyers at the hearing argued that the authority had to permit unless there was a good reason not to, and there was no evidence the authority could draw upon to block the application. As a result, the application was granted despite the misgivings of the authority.

### **Enfield London Borough Council**

In 2021, the council received an application for a bingo licence to take over a betting shop on the high street. Initially the licence was granted as it received no objections as the application was made during the pandemic and residents had not seen the advertisements that this new premises would open. However, when renovations to the site started, local residents strongly objected to it. There was apprehension about the long hours that the premises would be open for, worries about anti-social behaviour, and concerns about the exposure to gambling children would face as it was next to a bus stop and opposite a McDonalds. As a result, the council submitted a review application given the strength of local opposition to this premises. However as there was no evidence that crime had arisen, the review had to be withdrawn and the premises is now open.