

**Report of the Cabinet Member for Wellbeing & Healthy City**

**Council – 4 November 2014**

**PROPOSAL TO PASS A RESOLUTION NOT TO ISSUE CASINO LICENCES AND PROPOSED AMENDMENTS TO THE COUNCIL'S GAMBLING POLICY**

|                             |  |
|-----------------------------|--|
| <b>Purpose:</b>             | <p>i) To consider the outcome of the consultation on proposed amendments to the City and County of Swansea's Statement of Principles (Gambling Policy) in respect of a proposal to pass a resolution not to issue casino premises licences;</p> <p>ii) To make a decision regarding passing a resolution not to issue casino premises licences</p>   |
| <b>Policy Framework:</b>    | <p>Gambling Policy, January 2013 - 2016.</p>   |
| <b>Reason for Decision:</b> | <p>To comply with the requirements of the Gambling Act 2005 in respect of a resolution not to issue casino premises licences and amendments to the Gambling Policy.</p>  |
| <b>Consultation:</b>        | <p>Extensive consultation on the proposed amendments to the policy has been undertaken involving existing licence holders, representatives of persons carrying on gambling businesses, statutory bodies, representatives of interested parties and City and County of Swansea Members. Legal, Finance, Access to Services have been consulted in respect of this report.</p>   |
| <b>Recommendation(s):</b>   | <p>It is recommended that:</p> <ol style="list-style-type: none"><li>1) Council considers the outcome of the consultation on proposed amendments to the City and County of Swansea's Statement of Principles (Gambling Policy) regarding the proposal to pass a resolution not to issue casino premises licences;</li><li>2) Council takes into account the matters identified in paragraph 4 of the report and agrees to pass a resolution not to issue casino premises licences;</li><li>3) If Council agrees to pass a resolution not to issue casino premises licences:<br/>Council agrees the proposed amendments to the Gambling Policy for publication and specify the date on which the resolution takes effect.</li></ol> |

|                                    |                |
|------------------------------------|----------------|
| <b>Report Author:</b>              | Lynda Anthony  |
| <b>Finance Officer:</b>            | Kim Lawrence   |
| <b>Legal Officer:</b>              | Lyndsay Thomas |
| <b>Access to Services Officer:</b> | Phil Couch     |

## **1.0 Introduction**

- 1.1 On 11<sup>th</sup> February 2014 a report was submitted to Cabinet seeking agreement for proposed amendments to the Council's Gambling Policy to be issued for consultation. The proposed amendments were in respect of a proposal to pass a resolution not to issue casino licences (a No Casino Resolution). A copy of the report considered by Cabinet is attached at Appendix A.
- 1.2 Cabinet agreed that the proposed amendments to the Gambling Policy be issued for consultation prior to reporting to Council for decision.

## **2.0 Consultation**

- 2.1 Extensive consultation on the proposed amendments to the policy was undertaken involving existing licence holders, representatives of persons carrying on gambling businesses, statutory bodies, representatives of interested parties and City and County of Swansea Members.
- 2.2 The consultation period ended on the 19<sup>th</sup> May 2014 and no responses were received.

## **3.0 A No Casino Resolution**

- 3.1 The Gambling Act 2005 (the Act) allows a licensing authority to pass a No Casino Resolution and to specify the date on which the resolution takes effect. This decision must be taken by Council and must be published in the authority's Gambling Policy.
- 3.2 Once made the resolution will last for 3 years and the Authority would need to pass a resolution every 3 years to keep the resolution in place. The resolution must specify the date it comes into effect and it may also be revoked by passing a further resolution, subject to further consultation.

- 3.3 A No Casino Resolution will only affect new casinos. It will not have any effect on casino premises that were originally licensed under the Gaming Act 1968, casino premises licences issued before the resolution takes effect or on provisional statements issued before that date. An applicant can apply for a provisional statement in respect of premises that have not yet been constructed, are to be altered or an applicant expects to acquire rights to occupy. A provisional statement allows an applicant to judge if a development is worth taking forward. Once the premises are constructed, altered or acquired the holder of a provisional statement can then apply for a premises licence which can only be refused or the terms agreed modified, if circumstances have changed since the provisional statement was issued.
- 3.4 There are 4 casino licences in force in Swansea. These licences relate to premises that were previously licensed under the Gaming Act 1968. Only one of the premises licensed is currently operating as a casino. There are no provisional statements currently in force.
- 3.5 The Authority was awarded the power to grant a new small casino premises licence on the 19<sup>th</sup> May 2008. Passing the resolution will affect the issue of this premises licence as the Authority will not be able to grant the licence whilst the resolution is in force.

#### **4.0 Proposal to pass a No Casino Resolution**

- 4.1 In making the decision to pass a No Casino Resolution, the Authority may take into account any principle or matter and not just the licensing objectives. The licensing objectives in respect of the Gambling Act 2005 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;
  - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 4.2 The Authority's proposal to pass a No Casino Resolution in February 2014, subject to consultation on the proposed changes to the Gambling Policy and the decision of Council, was based on:
- i) The fact that since the original bid for the new casino licence was submitted there have been changes in the focus of the Authority's priorities and commitments to improving the wellbeing of people in Swansea. Tackling poverty was adopted by Full Council as a top priority for the City and County of Swansea on 26 July 2012.

- ii) Swansea has an above average level of deprivation, with 17 (12%) of its 147 Lower Super Output Areas (LSOAs) now ranked in the top 10% most deprived in Wales, as measured by the Wales Index of Multiple Deprivation 2011. In terms of the overall index, the most deprived LSOAs in Swansea are in Townhill, Penderry and Castle. In response to this, Council adopted the “Target Area Approach” to tackling poverty in February 2013.
- iii) Research on the social impacts of gambling, carried out in Scotland on behalf of the Scottish Executive in 2006 shows that disadvantaged social groups who experience poverty, unemployment, dependence on welfare, and low levels of education and household income are most likely to suffer the adverse consequences of increased gambling. Problem gambling can lead to debt, divorce, crime, depression and also suicide, all of which can have a negative impact on communities, particularly those already experiencing the stresses of life on a low income. This is a particularly important consideration in view of the current economic climate.

4.3 In addition to paragraph 4.2 of this report it was also considered that licensing objective 3, “Protecting children and other vulnerable persons from being harmed or exploited by gambling” was relevant in this case. The term “vulnerable persons” is not defined but the statutory guidance produced by the Gambling Commission states that for regulatory purposes it must be assumed that this group includes people who gamble more than they want to, people who gamble beyond their means and people who are unable to make informed or balanced decisions about gambling.

## **5. Proposed changes to the Gambling Policy**

5.1 An extensive consultation on the proposed changes to the Gambling Policy in respect of the Authority passing a No Casino Resolution was carried out and no responses received. The proposed changes are identified in bold italic type in the extract of the Gambling Policy attached at Appendix B to the report. The information to be removed is identified by striking through the relevant text.

5.2 The amendments proposed are listed below:

- A paragraph to be added stating that the Licensing Authority has passed a resolution not to issue casino licences and how the decision was reached; (paragraph 3.7.1)
- A paragraph to be added stating that applications for a casino premises licence will not be considered and will be returned to the applicant; (paragraph 3.7.2)
- A paragraph to be added confirming that the resolution will not affect existing casino premises; (paragraph 3.7.3)

- A paragraph to be added stating that the resolution will last for 3 years; (paragraph 3.7.4)
- Existing paragraph 3.7.1, which states that there is no resolution to prohibit casinos at present to be removed;
- The wording in paragraph 3.7.7 has been amended;
- A paragraph to be added stating that as the City and County of Swansea has been authorised to issue a small casino premises licence it is required to set out the principles it would apply in determining such an application, notwithstanding that it has passed a resolution not to issue casino licences; (paragraph 3.7.9). These principles are contained in paragraphs 3.7.10 – 3.7.31.
- The paragraphs have been renumbered due to the amendments.

5.3 The revision to the Gambling Policy must be published at least four weeks before it takes effect. The effective date for the resolution must reflect the date that the revised policy takes effect.

5.4 The revised policy must also include a paragraph in the introduction summarising the matters dealt with in the revision and listing the persons consulted. An extract of the introduction of the Gambling Policy and the proposed wording of the amendment is attached at Appendix C of the report.

## **6.0 Equality and Engagement Implications**

6.1 An Equalities Impact Assessment Screening Form has been completed with the agreed outcome that a full Equalities Impact Assessment report is not required.

## **7.0 Financial Implications**

7.1 Acceptance of the proposed amendment would mean the City foregoing the possibility of potential financial benefits from the development of a Casino for up to the next three years, although there appears to be a lack of interest from potential casino operators in the current economic climate.

## **8.0 Legal Implications**

8.1 The Authority's original submission of a bid to the Government's Casino Advisory Panel for the Licence was subject to a willingness to licence and the Authority made representations to demonstrate its commitment to licence if it was awarded the power to grant a large/small licence.

8.2 Authorities unable to demonstrate a willingness to commit to the grant of a licence were not considered.

- 8.3 At this time there is no deadline imposed for granting the Licence.
- 8.4 A no casino resolution is a non executive function and cannot be delegated therefore it has to be passed by full Council .The resolution must be published in the Authority's Gambling Policy before being given effect.

**Background Papers:**

Report to Cabinet 11 February 2014 – Proposal to Consult On Passing A Resolution Not To Issue Casino Licences, City and County of Swansea, Statement of Principles, Gambling Act 2005.

**Appendices**

Appendix A - Report to Cabinet 11 February 2014 – Proposal to Consult On Passing A Resolution Not To Issue Casino Licences.

Appendix B – Proposed changes to Section 3.7 (Casinos) of the City and County of Swansea Statement of Principles (Gambling Policy), Gambling Act 2005.

Appendix C – Proposed changes to Section 2.0 (Introduction) of the City and County of Swansea Statement of Principles (Gambling Policy), Gambling Act 2005.