

Thursday, 3 October 2024

**Report of the Portfolio Holder for Environmental Sustainability, Recycling and Waste****Gambling Act 2005 – Review of Statement of Principles****Exempt Information**

None

**Purpose**

The Council's current Statement of Principles under the Gambling Act 2005 took effect on 31st January 2023. In accordance with the provisions of the Act, the Council is required to prepare and publish a Statement of Principles every three years. Therefore, a new Statement of Principles must be published by 31st January 2025.

As part of the process of preparing a Statement of Principles for the three-year period beginning on 31st January 2025, the Licensing Committee are now asked to approve a draft Statement of Principles following the consultation with relevant parties.

**Recommendations**

It is recommended that:

Members recommend to Full Council that they consider the draft Statement of Principles as suitable for adoption to become effective 31st January 2025 subject to the amendments suggested by Gosschalks on behalf of the Betting and Gaming Council should members feel these are appropriate.

**Executive Summary**

The Council's current Statement of Principles took effect on 31st January 2023 for a 3 year period. Due to the dates not aligning with the statutory dates set by the Gambling Commission a new Statement of Principles must now be prepared and published ready to take effect on 31st January 2025.

Tamworth Borough Council currently has a Statement of Principles which is attached at Appendix 1. The draft Statement of Principles 2025 – 2028 has been created and updated by Tamworth Borough Council officers together with relevant government documents and is attached at Appendix 2. A summary matrix of the changes can be found at Appendix 3.

Consultation on the draft Statement of Principles has taken place with all relevant parties including:

- The Chief Officer of Staffordshire Police
- The Gambling Commission
- All other responsible authorities identified under the Act

- Relevant Trade Associations
- Public Health
- Organisations working with people who are problem gamblers
- The general public
- Elected Borough Council Members

A full list of consultees is contained within Appendix B of the Draft Policy. The consultation was also made available for comment via the Council's website and publicised via social media and also through the local press. Given that the proposed changes to the existing Statement of Principles are very minor, the consultation period was from the 5<sup>th</sup> August 2024 to 8<sup>th</sup> September 2024

During the consultation period one response was received from Gamcare which is attached at Appendix 4 and one from Gosschalks on behalf of the Betting and Gaming Council (BGC) which is also attached at Appendix 4.

Attached at Appendix 5 are the officers recommended actions in response to the consultation responses received.

### **Options Considered**

Failing to prepare and publish a new Statement of Principles by 31st January 2025 would leave the Council in a position where it was failing to comply with its duties as a licensing authority under the provisions of the Gambling Act 2005.

### **Resource Implications**

There are no additional resource implications arising from this consultation. Resources required to fulfil the Council's duties in respect of the Licensing Process are met from the existing budget.

### **Legal/Risk Implications Background**

Section 349 of the Gambling Act 2005 requires that the licensing authority produce, consult on and publish a Statement of the Principles that it proposes to apply when exercising its functions under the Act.

The Act also requires that the Statement of Principles should be kept under review and must be re-published at least every three years.

When preparing a Statement of Principles, the Council is required to consult with:-

- the Chief Officer of Police for the Authority's area;
- one or more persons who appear to the Authority to represent the interests of persons carrying on gambling businesses in the Authority's area; and
- one or more persons who appear to the Authority to represent the interests of persons who are likely to be affected by the exercise of the Authority's functions under this Act

### **Equalities Implications**

A Community Impact Assessment has been undertaken and is attached at Appendix 6

### **Environment and Sustainability Implications (including climate change)**

None

## **Background Information**

Tamworth Borough Council is a licensing authority in accordance with the provision of the Gambling Act 2005.

Each licensing authority is required before each successive three-year period, to prepare and publish a statement of the principles that they propose to apply in exercising their functions under the Act during that period. This document is commonly referred to as the authority's Statement of Principles.

Since the current Statement of Principles took effect, there have been no significant amendments to the provisions of the Gambling Act 2005. Nor have there been any major changes made to the Gambling Commission's Licence Conditions and Codes of Practice (LCCP) that licensed operators have to comply with or the Gambling Commission's statutory Guidance to Licensing Authorities (GLA).

However, in April 2023 the government did publish a long-awaited white paper entitled "High Stakes: Gambling Reform for the Digital Age." The White Paper sets out the government's plan for reform of gambling regulation, following the review of the Gambling Act 2005 that was first launched in December 2020.

The white paper contained a number of proposals for reforming gambling regulation in the following areas:

- Online protections – players and products
- Marketing and advertising
- The Gambling Commission's powers and resources
- Dispute resolution and consumer redress
- Children and young adults
- Land-based gambling

Whilst many of the proposed reforms are not directly relevant to the role that the Council plays in the regulation of gambling activities, there are some proposed changes that are directly relevant. These include:

- Proposals to relax the rules on the split of low and medium maximum stake machines in certain licensed gambling premises.
- A review of the premises licence fees cap for local authorities.
- Introducing new powers to local authorities to conduct cumulative impact assessments for gambling premises.
- Proposals to change the rules that allow under 18s to play Category D gaming machines that pay cash prizes.
- Proposals to make provisions within the Gambling Commission's code of practise on the siting of gaming machines in licensed premises legally binding.

Following the publication of the white paper, several different consultations have been undertaken by both the Department for Culture, Media and Sport and the Gambling Commission concerning the various proposals for legislative reform.

At this stage however, it is unclear when the government will bring forwards the required legislation to implement the proposed reforms.

This presents something of a dilemma for licensing authorities such as Tamworth Borough Council, as they are required before each successive three-year period, to prepare and publish a statement of the principles that they propose to apply in exercising their functions under the Act during that period. The Council's next statement of principles needs to be prepared and published before 31st January 2025. If new legislation comes forwards the Borough Council will have to initiate an early review of the statement to accommodate any such changes.

As the timescales for legislation to be brought forward are unclear at this stage, officers are recommending that no substantive changes are made to the statement of principles at the present time and therefore very few changes are being proposed in the draft statement of principles that is shown at Appendix 2.

Indeed the only changes that officers believe need to be made at the present time are as follows:

- Updating the dates shown on the front page.
- Insertion and expansion of relevant sections.
- Updating the list of consultees at to include additional gambling and other relevant trade associations.

As well as having to prepare and publish a new statement of principles before every successive three-year period, licensing authorities are able to review their statements during those three-year periods and are able to revise the statement at any point in time if they think it is necessary.

Therefore, whilst officers do not believe that any substantive changes are required to the statement of principles at the present time, it is considered highly likely that a revised statement of principles will need to be prepared and published between 31st January 2025 and 31st January 2028 in order to make any revisions that may be necessary as a result of any regulatory reforms enacted in connection with the proposals set out in the white paper.

For now officers are recommending that Members resolve to approve the draft statement of principles shown at Appendix 2 subject to any amendments for adoption.

#### **Report Author**

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#### **List of Background Papers**

[Gambling Act 2005 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

[Guidance to licensing authorities \(gamblingcommission.gov.uk\)](https://www.gamblingcommission.gov.uk)

[High stakes: gambling reform for the digital age - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

#### **Appendices**

Appendix 1 – Current Statement of Principles

Appendix 2 – Draft Statement of Principles 2025 – 2028

Appendix 3 – Matrix of Changes

Appendix 4 – Consultation Responses

Appendix 5 – Officer Recommendations

Appendix 6 - CIA