

**BROMSGROVE DISTRICT COUNCIL****LICENSING COMMITTEE**15<sup>th</sup> November 2021**GAMBLING ACT 2005 – REVIEW OF STATEMENT OF PRINCIPLES**

Relevant Portfolio Holder	Councillor A D Kent
Portfolio Holder Consulted	No
Relevant Head of Service	Simon Wilkes – Head of Worcestershire Regulatory Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

The Council's current Statement of Principles under the Gambling Act 2005 took effect on 31<sup>st</sup> January 2019. In accordance with the provisions of the Act, the Council is required to prepare and publish a Statement of Principles every three years. As a result, a new Statement of Principles must be published by 31<sup>st</sup> January 2022.

On 12<sup>th</sup> July 2021, the Licensing Committee approved a draft revised Statement of Principles for consultation purposes. The results of the consultation are now being reported back to the Committee who are asked to recommend to Council that the draft revised Statement of Principles be approved and published.

**2. RECOMMENDATIONS**

**Members are asked to RESOLVE;**

**To recommend to Council that the revised draft Statement of Principles at Appendix 3 be approved and published.**

**3. KEY ISSUES****Financial Implications**

- 3.1 The costs involved in carrying out the consultation were met from existing budgets held by Worcestershire Regulatory Services.

**Legal Implications**

- 3.2 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.

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

**Service / Operational Implications**

- 3.5 Bromsgrove District Council is a licensing authority in accordance with the provision of the Gambling Act 2005.
- 3.6 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.
- 3.7 The Council's current Statement of Principles took effect on 31<sup>st</sup> January 2019 and therefore a new Statement of Principles must now be prepared and published ready to take effect on 31<sup>st</sup> January 2022.
- 3.8 The last revision of the Statement of Principles during 2018 involved the Council significantly enhancing the content of the statement to provide more comprehensive information on how the Council approaches its roles and responsibilities in relation to the various permits and small society lotteries that it is responsible for administering and monitoring.
- 3.9 Since the Statement of Principles was revised during 2018, 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).

- 3.10 In light of this, only minor revisions were included in the draft Statement of Principles that was presented to the Licensing Committee on 19<sup>th</sup> July 2021. These minor revisions include updating the Introduction section of the Statement to reflect the current Council Plan and the strategic purposes and priorities it identifies. The introduction section had also been updated to reflect more recent estimates on the population of the borough.
- 3.11 The draft Statement had also been revised to nominate the Worcestershire Safeguarding Children Partnership as the body competent to advise the Council on matters relating to the protection of children from harm. This is because the Worcestershire Safeguarding Children Partnership has replaced the previously nominated Worcestershire Safeguarding Children Board.
- 3.12 The list of consultees shown at Appendix B of the Statement had also been updated to reflect changes to some of the Gambling Trade Associations and to include additional organisations involved in working with people who experience problems with gambling.
- 3.13 On 12<sup>th</sup> July 2021, the Licensing Committee approved a draft revised Statement of Principles for consultation purposes.
- 3.14 Subsequently consultation on the revised draft Statement of Principles took place with all relevant parties including:
- The Chief Officer of West Mercia Police
  - The Gambling Commission
  - All other responsible authorities identified under the Act
  - Relevant Trade Associations
  - The Public Health Team at Worcestershire County Council
  - Organisations working with people who are problem gamblers
  - Parish Councils
  - The general public
- 3.15 The consultation was also be made available for comment via the Council's website and publicised via social media and also through the local press.
- 3.16 The consultation exercise began on the 20<sup>th</sup> July 2021 and remained open for comments until 10<sup>th</sup> September 2021.

- 3.17 There were two responses received during the consultation. The first of these responses was received from Gosschalks Solicitors and was submitted on behalf of their clients the Betting and Gaming Council (BGC). A full copy of the response can be seen at **Appendix 1**.
- 3.18 The response contained one suggested amendment be made to the draft revised Statement. That is the redrafting of a bullet point at paragraph 11.4 to take out reference to the term "primary gambling activity" as this is said to be a term no longer used by the Gambling Commission.
- 3.19 Officers have examined the latest version of the Gambling Commissions Guidance to Licensing Authorities and the Licence Conditions and Code of Practice (LCCP) document and confirmed that the Commission no longer appears to use the term "primary gambling activity" in either document. Paragraph 11.4 has therefore been amended to remove reference to this term.
- 3.20 A further response to the consultation was received from the charity GambleAware. This response can be seen at **Appendix 2**.
- 3.21 Due to resource constraints, the charity was not able to provide specific feedback on the draft Statement, but did provide some useful links to tools and publications that can be used by licensing authorities to help identify areas with increased levels of risk for any reason.
- 3.22 These might include areas where there are higher than average resident or visiting populations from groups known to be vulnerable to gambling harms including children, the unemployed, the homeless, certain ethnic-minorities, lower socio-economic groups, those attending mental health (including gambling disorders) or substance addiction treatment services.
- 3.23 These tools and publications will be very helpful when the Gambling Local Area Profile for Worcestershire is next updated.
- 3.24 Members of the Committee are now asked to consider the responses and recommend to Council that the draft revised Statement of Principles at **Appendix 3** be approved and published.

**4. RISK MANAGEMENT**

- 4.1 Failing to prepare and publish a new Statement of Principles by 31<sup>st</sup> January 2022 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.

**5. APPENDICES**

- Appendix 1 – Consultation Response from Gosschalks on behalf of the Betting and Gaming Council
- Appendix 2 – Response from GambleAware
- Appendix 2 – Draft Revised Statement of Principles

**AUTHOR OF REPORT**

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# GOSCHALKS

BY EMAIL ONLY to [enquiries@worcsregservices.gov.uk](mailto:enquiries@worcsregservices.gov.uk)  
Licensing Section  
Bromsgrove Council

Please ask for:  
Direct Tel:  
Email:  
Our ref:

Your ref:  
Date: 26 August 2021

Dear Sirs,

## Re: Gambling Act 2005 Policy Statement Consultation

We act for the Betting and Gaming Council (BGC) and are instructed to respond on behalf of the BGC to your consultation on the review of your Gambling Act 2005 Statement of Principles.

### The Betting and Gaming Council

The Betting and Gaming Council (BGC) was created in 2019 as the new standards body for the UK's regulated betting and gaming industry. This includes betting shops, online betting and gaming businesses, bingo and casinos. Its mission is to champion industry standards in betting and gaming to ensure an enjoyable, fair and safe betting and gaming experience for all of its members' customers.

BGC members support 119,000 jobs and account for £4.5 billion to the Treasury annually in tax. Recent study also showed that BGC members contributed around £7.7 billion in gross value added to the UK economy in 2019.

The gambling industry is integral to the survival of sport. Betting companies spend over £40 million a year on the English Football League (EFL) and its clubs. Horse racing, an industry estimated to be worth £3.5 billion a year to the UK economy and which generates 85,000 jobs receives over £350 million per annum through the Horse Racing Industry Levy, media rights and sponsorship. Darts and Snooker receive in excess of £10 million per annum which represents 90 % of all sponsorship revenue.

The BGC has four principal objectives. These are to –

- create a culture of safer gambling throughout the betting and gaming sector, with particular focus on young people and those who are vulnerable
- ensure future changes to the regulatory regime are considered, proportionate and balanced
- become respected as valuable, responsible and engaged members of the communities in which its members operate

Queens Gardens, Hull, HU1 3DZ T 01482 324252 F 0870 600 5984 W [www.goschalks.co.uk](http://www.goschalks.co.uk) DX 11902 – Hull

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- **safeguard and empower the customer as the key to a thriving UK betting and gaming industry**

Before we comment on your draft policy document, it is important that the backdrop against which the comments are made is established.

### **Betting and Gaming in the UK**

Betting and gaming is an incredibly important part of the UK leisure and hospitality industry, employing over 70,000 people, including 50,000 in betting, 13,000 in casinos and 10,000 people directly employed online. The betting and gaming industry contributes £8.7 billion Gross Value Added to the UK economy & contributes £3.2 billion to HM Treasury. In addition, casinos contribute over £120 million to the tourism economy each year.

Betting and gaming is widely enjoyed in the UK. Around 30 million people participate in some sort of gambling, whether that is on the National Lottery, placing a bet in betting shops, playing in casinos or at bingo. The overwhelming majority of these people do so safely without reporting any problems.

Any consideration of gambling licensing at the local level should also be considered within the wider context.

- the overall number of betting shops is in decline. The latest Gambling Commission industry statistics show that the number of betting offices (as of March 2020) was 7681. This is reducing every year and has fallen from a figure of 9137 in March 2014. Covid 19 had a devastating effect on the betting industry. The number of betting offices in June 2020 was down to 6461.
- planning law changes introduced in April 2015 have increased the ability of licensing authorities to review applications for new premises, as all new betting shops must now apply for planning permission.
- In April 2019 a maximum stake of £2 was applied to the operation of fixed odds betting terminals
- successive prevalence surveys and health surveys tells us that problem gambling rates in the UK are stable and possibly falling.

### **Problem Gambling**

Problem gambling rates are static or possibly falling. The reported rate of 'problem gambling' (according to either the DSM-IV or the PGSI) was 0.8% of the adult population in 2015, in 2016 it was 0.7% and in 2018 it was 0.5% of the adult population.

This is termed statistically stable but is encouraging that we might finally be seeing a reduction in problem gambling due to the raft of measures that have been put in place recently both by the industry, the Gambling Commission and the Government – from a ban on credit cards, restrictions to VIP accounts, new age and identity verification measures and voluntary restrictions on



advertising. These rates have remained broadly the same since the introduction of the Gambling Act 2005.

Whilst one problem gambler is too many, both the Government and regulator both say there is no evidence that problem gambling has increased in recent years.

During the Covid-19 period of lockdown, both the Gambling Commission and Government have acknowledged that problem gambling levels have not increased.

In June 2020, the BGC's five largest members committed to increasing the amount they spend on research, education and treatment (RET) services from 0.1 per cent to 0.25 per cent of their annual revenue in 2020, 0.5 per cent in 2021, 0.75 per cent in 2022 and 1 per cent in 2023. The five operators confirmed they will provide £100 million to GambleAware charity to improve treatment services for problem gamblers.

Rates of 'problem gambling' in the UK are low by international standards – compared to France (1.3%), Germany (1.2%), Sweden (2.2%) and Italy (1.27%).

The BGC supported the creation of the new NHS gambling treatment clinics who have promised 22 clinics, 3 of which are open now. We are pleased that the NHS have committed to work to increase the number of clinics in the UK in addition to existing services delivered by Gordon Moody Association and GamCare's 120 treatment centres located throughout the UK.

The BGC welcomes the Gambling Commission's National Strategy as a way of accelerating progress on responsible gambling and tackling problem gambling. Our members are fully committed to meeting this challenge and are working tirelessly to deliver new responsible gambling initiatives including technology that tackles problem gambling and supporting a statutory levy and increased funding for problem gambling clinics.

Underage participating by those aged 11-16 in any gambling activity has declined from 22% to 11% over the past decade; here, 'gambling activity' mainly relates to personal betting (e.g. playing cards with friends) and legal play of lotteries (e.g. participating with consent of parents / guardians). BGC members have a zero tolerance to those under the age of 18 attempting to use their products.

### **Working in partnership with local authorities**

The BGC is fully committed to ensuring constructive working relationships exist between betting operators and licensing authorities, and that where problems may arise that they can be dealt with in partnership. The exchange of clear information between councils and betting operators is a key part of this and the opportunity to respond to this consultation is welcomed.

### **Differentiation between Licensing Act 2003 and Gambling Act 2005 applications**

When considering applications for premises licences, it is important that a clear distinction is made between the regimes, processes and procedures established by Gambling Act 2005 and its regulations and those that are usually more familiar to licensing authorities – the regimes, processes and procedures relating to Licensing Act 2003.

Whilst Licensing Act 2003 applications require applicants to specify steps to be taken to promote the licensing objectives, those steps being then converted into premises licence conditions, there is no such requirement in Gambling Act 2005 applications where the LCCP provide a comprehensive package of conditions for all types of premises licence.

It should continue to be the case that additional conditions in Gambling Act 2005 premises licence applications are only imposed in exceptional circumstances where there are clear reasons for doing so. There are already mandatory and default conditions attached to any premises licence which will ensure operation that is consistent with the licensing objectives. In the vast majority of cases, these will not need to be supplemented by additional conditions.

The LCCP require that premises operate an age verification policy. The industry operates a policy called "Think 21". This policy is successful in preventing under-age gambling. Independent test purchasing carried out by operators and submitted to the Gambling Commission, shows that ID challenge rates are consistently around 85%.

When reviewing draft statements of principles in the past, we have seen statements of principles requiring the operation of Challenge 25. Unless there is clear evidence of a need to deviate from the industry standard then conditions requiring an alternative age verification policy should not be imposed.

The BGC is concerned that the imposition of additional licensing conditions could become commonplace if there are no clear requirements in the revised licensing policy statement as to the need for evidence. If additional licence conditions are more commonly applied this would increase variation across licensing authorities and create uncertainty amongst operators as to licensing requirements, over complicating the licensing process both for operators and local authorities

#### **Considerations specific to the Revised Statement of Principles 2022-2025**

We note that in the absence of any significant changes to relevant legislation and guidance, the council is not proposing to make any significant amendments to the existing statement of principles. We welcome the light touch approach adopted in the draft statement of principles and have only one comment to make.

Paragraph 11.4 contains a list of bullet points that's a risk assessment may include. The final bullet points refers to "primary gambling activity" which is a term no longer used by the Gambling Commission and in the circumstances this bullet point should be redrafted.

#### **Conclusion**

On behalf of the BGC, we thank you for the opportunity to comment on your draft statement of principles and hope that these comments above are useful.

The BGC will work with you to ensure that its members' operation of its premises will operate in accordance with the licensing objectives.

Yours faithfully,

**GOSSCHALKS LLP**

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**From:** [REDACTED]

**Sent:** 26 July 2021 10:18

**To:** WRS Enquiries <enquiries@worcsregservices.gov.uk>

**Subject:** External Email : RE: Consultation – Revised Statement of Principles Under the Gambling Act 2005 - Bromsgrove District Council

Hello,

Thank you for consulting us on your draft Statement of Principles under the Gambling Act 2005.

Due to resource constraints on a small charity, we are not able to offer specific feedback on your policy. However, you may find GambleAware's recently published [Interactive maps](#) useful, which have been designed for use by local authorities. The maps show the prevalence of problem gambling severity in each local authority and ward area as well as usage of, and reported demand for, treatment and support for gambling harms.

GambleAware also strongly commends two publications by the Local Government Association which set out the range of options available to local authorities to deal with gambling-related harms using existing powers:

- <https://www.local.gov.uk/tackling-gambling-related-harm-whole-council-approach>
- <https://www.local.gov.uk/gambling-regulation-councillor-handbook-england-and-wales>
- 

GambleAware is also fully supportive of local authorities which conduct an analysis to identify areas with increased levels of risk for any reason. In particular we support those who also include additional licence requirements to mitigate the increased level of risk. Areas where there are higher than average resident or visiting populations from groups we know to be vulnerable to gambling harms include children, the unemployed, the homeless, certain ethnic-minorities, lower socio-economic groups, those attending mental health (including gambling disorders) or substance addiction treatment services.

Finally, GambleAware is a leading commissioner of prevention and treatment services for gambling harms. It provides these functions across England, Scotland and Wales and its work is underpinned by high quality research, data and evaluation. We encourage all local authorities to signpost people to the National Gambling Helpline on 0808 8020 133 and also [www.begambleaware.org](http://www.begambleaware.org). Both are part of the National Gambling Treatment Service and offer free, confidential advice and support for those who may need it.

Best wishes,

[REDACTED]

[REDACTED]

Company Secretary

**GambleAware**®

Phone [REDACTED] *note that we are currently remote working so please contact us by email*

Email [REDACTED]

Website [begambleaware.org](http://begambleaware.org)

