

Appendix F

Gambling regulation

Councillor handbook
(England and Wales)

The regulatory framework – an overview

The Gambling Act 2005 (the Act) consolidated and updated previous gambling legislation, creating a framework for three different types of gambling: gaming, betting and lotteries. Gambling can take the form of non-remote gambling, which takes place in a gambling premises, and remote gambling, which is typically undertaken by phone or online. Councils do not have any regulatory responsibilities in relation to remote gambling.

The Department for Culture, Media and Sport (DCMS) is the lead government department for gambling issues.

The Gambling Commission

The Gambling Commission is responsible for regulating gambling in accordance with the Act, and for issuing national operating licences to gambling businesses and personal licences to individuals. In regulating gambling, the Commission is required to have regard to the three licensing objectives for gambling, which 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.

The Commission is **required to aim to permit gambling**, providing that it is consistent with the licensing objectives.

To help fulfil its role, the Commission issue codes of practice relating to how gambling facilities should be provided, and guidance to licensing authorities (see below) on how to implement their responsibilities under the Act.

Licensing authorities and types of gambling

Licensing authorities¹ are a key partner in gambling regulation, with a responsibility for overseeing non-remote gambling in their local areas. This involves:

- setting the local framework for gambling through their statement of principles
- considering applications and issuing licences for premises where gambling takes place, with conditions where appropriate
- reviewing or revoking premises licences
- issuing permits for some forms of gambling
- undertaking inspection and enforcement activities, including tackling illegal gambling.

Although betting shops are the most commonly recognised gambling premises, councils are responsible for overseeing gambling in many different types of business:

- betting shops
- bingo halls
- adult gaming centres
- family entertainment centres
- casinos

¹ District and unitary councils.

Foreword

The 2005 Gambling Act was a pivotal point in gambling regulation in the UK. By liberalising previous gambling legislation, it established gambling as a mainstream leisure and social activity. Recent research indicates that as many as 28 million people participated in some form of gambling in the year to 2012 with some of 46 per cent of men and 40 per cent of women participating in gambling.


But even since the Gambling Act was introduced, the gambling landscape has changed significantly. Technological developments mean that significant numbers of people gamble by phone or online, and many of those 28 million people will not have set foot in a gambling premises.

We have also seen significant changes in the physical presence of gambling in our local areas. While much of the concern that accompanied the introduction of the Act centred on the prospect of large scale casinos, in practice it has been patterns of betting shop clustering and use of fixed odds betting terminals inside those betting premises that have generated significant political and public concern in recent years.

Under existing gambling legislation, councils have very limited powers to restrict the opening of gambling premises even if they believe that their local areas are already saturated with them. The LGA will continue to work with our members to make the case for stronger powers for councils in this area. Until then, it is incumbent on us to ensure we make full use of the range of tools at our disposal in relation to gambling regulation, recognising that our responsibilities go much wider than just betting shops and overall numbers of gambling premises.

We have therefore developed this handbook to help you understand and use these tools, as well as some of the key issues relating to local gambling licensing. The handbook provides a comprehensive overview of the responsibilities binding on licensing authorities and gambling operators within their local areas, including the strengthened requirements on social responsibility recently introduced by the Gambling Commission. Many of these changes offer scope for councils to develop much more tailored, local approaches to gambling regulation, including in partnership with the gambling industry, and I would encourage all councils to ensure they have explored them.

We hope you find it useful.



Councillor Tony Page

LGA Licensing Champion, Safer and Stronger Communities Board

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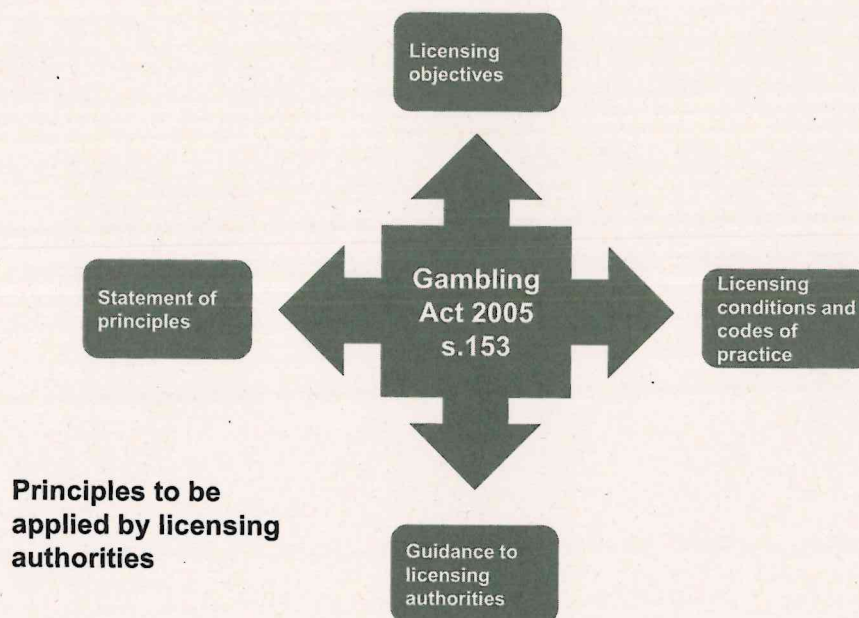
- race-courses and other tracks (defined as sporting venues, eg football or rugby stadiums)
- alcohol licensed premises and clubs that have gaming ('fruit' machines)
- members' clubs with gaming permits.

While most gambling establishments require a premises licence before they are able to operate, licensing authorities issue 'permits' to unlicensed family entertainment centres (typically found in seaside resorts, motorway service stations or airports) and to alcohol licensed premises and clubs.

Licences or permits enable businesses to provide specified maximum numbers and types of gaming machine. There are different types of gaming machines, with varying stakes (the amount allowed to be gambled at one time) and prizes (the amount the machines are allowed to pay out), and some types of machine are only allowed in specific premises. This is outlined in the table at Annex 1. Maximum stakes and prizes are set by the DCMS, and are currently subject to a triennial review, the most recent of which took place in 2013.

Like the Gambling Commission, **licensing authorities are bound by a statutory aim to permit** and must accept premises applications so long as they made are in accordance with:

- the Gambling Commission's codes of practice
- the guidance to local authorities
- the licensing authority's own statement of principles
- the three licensing objectives.



Later sections of this document outline the extensive scope and powers licensing authorities have to shape local gambling regulation. However, it is important to understand at the outset that licensing authorities have very limited grounds on which to refuse premises applications.

The licensing objectives under the Act are different to those under the Licensing Act 2003, and do not include public safety or the prevention of public nuisance. This creates a very high bar for refusing premises applications on the basis of the licensing objectives, and in general, where licensing authorities have tried to do so, they have been successfully challenged in the Courts.

Planning considerations and gambling premises

Councils have sometimes sought to use the planning system to prevent further openings of gambling premises (specifically betting shops) where they believe that additional premises will damage local high streets or economies. However, this approach has also led to legal challenges from the betting industry, and decisions have often been overturned by the Planning Inspectorate if councils have not been able to evidence that decisions have been reached on the basis of material planning considerations.

In response to lobbying from the LGA and others, the Government has recently introduced changes to the planning system in England that remove permitted development rights from betting shops and payday loan shops, which will now be treated as 'sui generis' ie in a use class of its own. This means that anyone wishing to change the use of an existing building to a betting shop will need to apply for planning permission to do so. To refuse such applications, a council would need to have valid planning grounds; in turn, this is likely to link back to the council's local planning policy and development plan. As with licensing statements, planning decisions will be stronger if they are linked back to evidence based criteria explicitly set out in local plans.

Although the LGA believes that this change is a helpful development, we recognise that it is unlikely to have an impact in areas where there is already significant clustering. This is because if an existing betting shop closed down, a rival operator would not need to seek planning permission in order to open a new shop, as there would not be a change of planning use. We therefore believe that a change to the licensing framework in relation to council powers to refuse new betting shops is required.

Under the Act, councils are required to recover the costs of the gambling licensing function, and have discretion to set fees up to specified maximum levels set for England and Wales by the Secretary of State. Fee setting is considered in more detail in the specific section later in this document.

Licensing fees should cover the costs of gambling licensing administration and the compliance / enforcement activity undertaken by the council. As with the Licensing Act 2003, councils have a range of licensing tools that can be used to address issues linked to gambling premises, specifically reviewing existing licences, imposing conditions or – in the most serious cases – revoking licences. However, there is also scope for councils to use other more appropriate powers to tackle certain types of challenges. For example, certain anti-social behaviour powers may be better suited to dealing with anti-social behaviour issues linked to gambling premises. This is considered in more detail in the subsequent section on managing individual premises and enforcement.

Summary of licensing authority powers

Neither the licensing nor planning framework give councils or communities the power to limit the number of gambling premises and gaming machines in their areas, with the statutory 'aim to permit' providing a fundamental obstacle in this regard.

Equally, the licensing objectives under the Act are a relatively narrow set of considerations that do not reflect many of the concerns associated with gambling in the 21st century, such as the lower-level nuisance or disorder that may be associated with premises in some areas. As set out in our Rewiring Licensing proposals, the LGA believes that there is a strong case for consistency of core objectives across different licensing regimes, including a health objective.

The LGA will continue to lobby for changes that give local communities a greater say in the range of amenities in the places where they live, and for a broader range of licensing objectives that properly reflects the risks associated with different types of licensable activity.

However, council responsibilities for gambling go much wider than just overall numbers of premises. Despite the limitations of the Act, **it is still the case that, through the powers councils do have under the Act and other pieces of legislation, there is considerable scope for councils to set out their expectations of gambling premises and manage them accordingly**, particularly in places that have concerns and evidence about the impact of gambling in their areas. The next sections of this handbook provide more information on the sort of approach that councils can consider.

Operators

Gambling businesses are required to have an operator licence issued by the Gambling Commission before they can operate in Great Britain. Operator licences can be issued for up to ten different types of gambling activity² and a separate licence is needed for both remote and non-remote gambling of the same types.

An operator licence gives a general authorisation for a business to provide gambling facilities, but a business wishing to provide non-remote gambling facilities in a licensing authority area is required to apply for a premises licence that is specific to the particular premises.

Operators are required to comply with conditions attached to both their operator and individual premises licences. They are also required to adhere to the mandatory provisions in the Gambling Commission's Social Responsibility Code of Practice and take account of the provisions in the Ordinary Code of Practice (although these are not mandatory).

The Licence Conditions and Codes of Practice (LCCP) were updated in April 2015, and have introduced significant new responsibilities for operators in relation to their local premises.

With effect from April 2016, all non-remote licensees that run gambling premises will be required to assess the local risks to the licensing objectives arising from each of their premises and have policies, procedures and control measures to mitigate them.

Licensees are required to take into account the licensing authority's statement of principles in developing their risk assessments.

Local risk assessments should be undertaken or reviewed and if necessary updated by operators:

- when applying for a new licence or to vary a premises licence
- to reflect significant changes to local circumstances, including those identified in the statement of principles
- when there are significant changes at the premise which may affect mitigation of local risks.

Operators are advised to share their risk assessments when submitting such applications.

² The ten types of operator licences are for: casinos; bingo; general betting; pool betting; gaming machines for adult gaming centres; gaming machines for family entertainment centres; gambling machines – technical; gambling software operating; lottery operating.

A partnership approach to local regulation

In line with the principles of better regulation, the Gambling Commission are encouraging operators and licensing authorities to work together in partnership. The LGA also recognises the value of this approach, having convened a 'Betting Commission' in 2014 to bring together councils and representatives of the betting shop industry to discuss council concerns about clustering and fixed odds betting terminals (FOBTs) machines.

The Betting Commission did not reach agreement on the changes that councils wish to see in relation to council powers in this area. The LGA policy position remains that councils need stronger powers to shape their local high streets by refusing licences if there is already a concentration of gambling premises in the area, and while some within industry may be sympathetic to this view, there are differing views and some sections are opposed to such a change.

However, the work of the Betting Commission indicated that there is willingness across the industry and local government to try to increase joint working to meet the shared objective of tackling local issues linked to betting shops: a framework agreement by the LGA and Association of British Bookmakers to promote partnership working is available on our website. The new requirement for operators to prepare local risk assessments will also necessitate a much closer relationship between the gambling industry and licensing authorities, as is already common in relation to alcohol. The LGA believes that in many areas this will help councils in implementing more effective local gambling regulation.

Role of councillors and the licensing authority

Overview

Under the Act, the licensing authority's responsibilities are delegated to the authority's licensing (or regulatory) committee, which is likely to be made up of non-executive/ cabinet councillors.

The licensing committee is likely to be responsible for considering and proposing the authority's gambling policy through developing the statement of principles prior to its approval by full council, and for taking decisions on specific licence applications or issues.

However, two core functions are not delegated and remain the responsibility of the full council:

- a resolution not to issue casino premises licences
- adopting the licensing statement of principles.

Fee-setting is not delegated to the licensing committee by default, but a licensing authority may choose to delegate this function. Otherwise, fee-setting remains a council function and cannot be delegated to a cabinet or executive committee.

Decision-making in respect of individual cases, whether applications for licences or relating to existing licences, may be further delegated from the licensing committee to a sub-committee, or to an officer. Officers may not, however, exercise delegated powers in the following circumstances:

- where an application has been made for a premises licence, or to vary an existing premises licence, and representations have been made, or
- in the case of a review of an existing premises licence.

Interested parties and responsible authorities

Unlike the Licensing Act 2003 framework, representations may be made by or on behalf of 'interested parties' defined as:

- people living sufficiently close to a premises to be likely to be affected by it, or
- whose business interests may be similarly affected, or
- people representing them (eg advocates, neighbours / residents / tenants associations, MPs, councillors etc).

It is up to the licensing authority to determine whether a person is an interested party with regard to a particular premises or application, and this should be decided on a case-by-case basis. However, the licensing authority's statement of principles should set out the principles the authority will apply in doing so. The Gambling Commission's guidance to licensing authorities advises that this may include:

- the size of premises (eg, a larger premises might be expected to affect people over a broader geographical area)
- nature of the premises
- distance of the premises to a person making the representation
- the potential impact of the premises, eg number of customers, routes likely to be taken to visit the premises
- the circumstances of the person who lives close to the premises.

The Commission also states that licensing authorities should take a broad interpretation of business interests, to include partnerships, charities, faith groups and medical practices. In respect of gambling businesses themselves, it advises that authorities consider the size and catchment of a premises, and whether the person making the representation has business interests in the catchment area which might be affected.

Representations may also be made by 'responsible authorities', defined under the Act as the:

- licensing authority
- Gambling Commission
- police
- fire and rescue service
- planning authority
- environmental health
- local safeguarding board
- Her Majesty's Revenue and Customs.

Decision making and conditions

In circumstances where the committee or sub-committee considers specific cases, it sits as a quasi-judicial body and therefore must follow the rules of natural justice – **anyone affected by a decision has a right to be heard and no one should be a judge in his own cause. All decisions should be made without 'fear or favour', however difficult they may be.**

In general, the volumes of applications and cases dealt with in respect of the Act will be significantly less than in relation to alcohol or taxi licensing. However, in broad terms, committees have similar options available to them when considering an application / issue relating to a gambling premises as they do in relation to alcohol licences and taxis:

- to grant a licence, with or without conditions, or refuse it
- when reviewing a licence,
 - do nothing
 - introduce conditions on a premises licence
 - revoke a licence.

Licensing authorities may attach specific conditions to premises licences, in addition to the mandatory and default conditions that apply either because they are set out in the Act or in regulations made by the Secretary of State. In relation to an individual premises, they may also choose to disapply default conditions set out in regulations which would otherwise apply to all premises licences.

The Gambling Commission's Guidance to Licensing Authorities (GLA) advises that premises licence conditions issued by authorities should be:

- relevant to the need to make the proposed building suitable as a gambling facility
- directly related to the premises and the type of licence applied for
- fairly and reasonably related to the scale and type of premises
- reasonable in all other respects.

The GLA also states that 'decisions on conditions should be taken on a case by case basis. [Licensing authorities] must aim to permit the use of premises for gambling and so should not attach conditions that limit their use except where it is necessary in accordance with the licensing objectives, the Commission's codes of practice and guidance, or their own policy statement. Conversely, licensing authorities should not turn down applications for premises licences where relevant objections can be dealt with through the use of conditions.'

Good practice on licensing conditions

In any area of licensing, conditions must not:

- exceed the council's powers set out in the controlling legislation ('ultra vires')
- be unreasonable or disproportionate ('Wednesbury unreasonable')
- be beyond the applicant's powers to comply with
- be for an ulterior motive
- **but must** be clearly stated in order that they can be properly understood to be complied with and enforced.

Both applicants seeking new licences and the holders of existing licences will have the right of appeal to the local magistrates' or crown court if they are aggrieved by the decision of the licensing committee.

Training of councillors

No councillor should be permitted to sit on a licensing committee or sub-committee without having been formally trained. It is important that training does NOT simply relate to procedures, but also covers the making of difficult and potentially controversial decisions, and the use of case study material can be helpful to illustrate this.

All training should be formally recorded by the council and require a signature from the councillor.

In addition to in-house training, there are a number of independent training providers, including the professional bodies – the National Association of Enforcement and Licensing Officers (NALEO), and the Institute of Licensing (IoL). The LGA has also made available a free online module on regulatory services for all councillors to use – <http://lga.learningpool.com/> – and the Better Regulation Delivery Office Regulator's Development Needs Analysis has a competency module on gambling which may be of interest: <http://rdna-tool.bis.gov.uk/>

Appearance of bias

While third party lobbying of elected members is legitimate and certain members may make representations to the licensing committee on behalf of 'interested parties', it is crucial for the licensing authority and its committee to ensure that there is neither actual nor an appearance of bias in its decision-making. It should also be remembered that concerns about political lobbying were the basis of the concerns which lead to the first Nolan Committee on Standards in Public Life.

Section 25 of the Localism Act 2011 does not prevent members from publicly expressing a view about an issue or giving the appearance of having a closed mind towards an issue on which they are to adjudicate. However it is recommended that to avoid an appearance of bias the following advice should be observed:

- No member sitting on the licensing sub-committee can represent one of the interested parties or the applicant. If s/he wishes to do so s/he must excuse him/herself from membership of the sub-committee which is considering the application. Case law has also established they should not be in the room for the hearing once an interest has been declared.
- If a member who sits on the licensing sub-committee is approached by persons wishing to lobby him/her as regards the licence application then that member must politely explain that they cannot discuss the matter and refer the lobbyist to his/her ward member or the licensing officer who can explain the process of decision making. If the member who sits on the licensing sub-committee wishes to represent them then s/he will need to excuse him/herself from the licensing sub-committee.
- Members who are part of the licensing sub-committee must avoid expressing personal opinions prior to licensing sub-committee decision. To do so will indicate that the member has made up his/her mind before hearing all the evidence and that their decision may not be based upon the licensing objectives nor the statement of licensing policy.
- Political group meetings should never be used to decide how any members on the licensing sub-committee should vote. The view of the Ombudsman is that using political whips in this manner may well amount to findings of maladministration. It may be advisable that the chair of the licensing sub-committee should state, during proceedings, that no member of the sub-committee is bound by any party whip.
- Councillors must not be members of the licensing sub-committee if they are involved in campaigning on the particular application.
- Other members (ie those who do not sit on the licensing sub-committee) need to be careful when discussing issues relating to matters which may come before the licensing sub-committee members as this can easily be viewed as bias / pressure and may well open that sub-committee member to accusations of such. While a full prohibition upon discussing such issues with committee members by other members may be impractical and undemocratic, local authorities are advised to produce local guidance for members on how such matters can be dealt with.¹ Such guidance could include a definition of what is viewed as excessive eg attempting to obtain a commitment as to how the member might vote.
- Members must also be aware of the need to declare any pecuniary or non-pecuniary interests in matters that may come before them, whether these relate to policy issues or to specific applications.
- Members must not pressurise licensing officers to make any particular decisions or recommendations as regards applications.
- Member behaviour is also governed by the member's code of conduct which you should have regard to, and most authorities also have a member/officer protocol which governs how members and officers should interact and the differences in their roles and responsibilities.
- Members should consult their monitoring officers for further advice where necessary.

¹ "It is undemocratic and impractical to try to prevent councillors from discussing applications with whomever they want; local democracy depends on councillors being available to people who want to speak to them. The likely outcome of a prohibition would be that lobbying would continue but in an underhand and covert way." (Nolan Committee Report into Standards in Public Life 285 p. 72)

The licensing authority statement of principles

Under section 349 of the Act, licensing authorities are required to prepare a statement of principles that they propose to apply in relation to their regulatory responsibilities in gambling. Statements of principles typically run for a period of three years, although there is nothing to prevent an authority from updating its statement more frequently if it wishes to.

In previous years, the LGA / LACORS produced a template statement of principles for licensing authorities to adopt. However, following changes to the licensing conditions and codes of practice, reflected in the updated guidance to licensing authorities published in March 2015, we have produced the guidance below to assist licensing authorities in reviewing and considering their statements:

Objective and purpose

The objective of the statement of principles is to provide a vision for the local area and a statement of intent that guides practice: licensing authorities must have regard to their statement when carrying out their licensing functions. The statement cannot create new requirements for applicants outside of the Act, and cannot override the right of any person to make an application under the Act, make representations or seek a review of a licence. However, it can invite people and operators in particular to consider local issues and set out how they can contribute towards positively addressing them.

The updated licence conditions and codes of practice have significant implications for the statement of principles. The **requirement for operators to prepare local risk assessments in relation to all their premises from April 2016 means that licensing authorities will need to set out their expectations of operators' risk assessments, ideally in their statements.**

This provides a real opportunity for councils to reflect local needs and issues in their gambling policies, in a similar way to licensing policy statements prepared under the Licensing Act 2003.

Most licensing authorities will not experience the same volume of applications in gambling as they do in other areas of licensing, but the issues of betting shop clustering and concern over FOBTs have shown that gambling generates extremely strong feelings. While licensing authorities may not have the powers to refuse new applications or limit FOBT machines, developing detailed and robust statements of principles that reflect local circumstances will enable them to shape local gambling regulation as much as possible. A statement that reflects local circumstances and risks can help operators to better understand and proactively mitigate the risks to the licensing objectives.

Conversely, as in other areas of licensing, if an authority's statement of principles does not cover a specific issue, it will be in a significantly weaker position if it is ever challenged on a decision on that issue. It is always better to pre-empt legal challenge through a comprehensive statement of principles, and setting out a position in the statement should encourage an applicant to work with the council and community from the start to develop an application that will add to the local area, rather than detract from it.

The significant changes to the LCCP in 2015 offer scope for authorities to develop statements of principles that are more closely tailored to their local circumstances. The Gambling Commission recognise that in some places, developing more localised statements of principles will be an iterative process that takes place over time, as different information and more tools (for example, from the Westminster / Manchester research into local gambling related harm which is due to conclude in September 2015) become available. Licensing authorities that have made relatively minor changes to their existing statements in 2015 may consider more comprehensive updates ahead of the statutory deadline for the next update of the statement (in most cases, 2019).

Process

In developing their statements, the Act requires licensing authorities to consult with:

- local police
- those representing the interests of gambling businesses in their localities
- people likely to be affected by it (or those who represent them).

Authorities may also wish to consult with:

- organisations including faith groups, voluntary and community organisations working with children and young people, organisations working with people who are problem gamblers, such as public and mental health teams, and advocacy organisations (such as the Citizen's Advice Bureau and trade unions)
- local businesses
- other tiers of local government (where they exist)
- responsible authorities.

Cabinet office guidance on public consultations³ states that the time required for a public consultation 'will depend on the nature and impact of the proposal (for example, the diversity of interested parties or the complexity of the issue, or even external events), and might **typically vary between two and 12 weeks.**'

Licensing authorities should look at the views submitted by consultees and consider carefully whether they should be taken into account in finalising their statements. A licensing authority should always be able to give reasons for the decisions it has made following consultation. However, they should ensure that they only consider matters within the scope of the Guidance, Act and Codes of Practice. Even if there is a large response regarding a certain issue, an authority may be unable to deal with the issue under the Gambling Act, although there may be other options for addressing issues raised (eg planning).

Given the requirement to undertake a consultation when the statement of principles is amended, authorities may wish to consider separating their statements into distinct segments (possibly by sector). This would ensure that they need only consult on the section they propose to amend, rather than on the full statement, if changes need to be made.

Licensing authorities are required to publish their statements four weeks prior to them coming into effect, ie on or by 3 January 2016 if the statement takes effect on 31 January 2016. Licensing authorities are required to publish a notice advertising the publication of the statement on or before it comes into effect.

³ Cabinet Office 2013: www.gov.uk/government/uploads/system/uploads/attachment_data/file/255180/Consultation-Principles-Oct-2013.pdf

Key issues for the statement of principles

Legal requirements

Licensing authorities are required to include within their statements a number of points set out in statutory regulations:

- a list of the three licensing objectives that the statement is intended to uphold
- a commitment to upholding the statutory aim to permit gambling
- a description of the geographical area to which the statement applies (typically a plan of the area)
- a list of those consulted in preparing the statement
- the principles the licensing authority will apply in designating a competent body to advise it about the protection of children from harm and, if already determined, who this body is. In most places, this will be the Local Safeguarding Children Board (see page 26)
- the principles the licensing authority will apply in determining whether someone is an interested party for the purposes of premises licences or applications for them (see page 9)
- the principles to be applied in relation to exchanging information with the Gambling Commission or other bodies with whom licensing authorities are authorised to share information under the Act
- the principles to be applied in exercising inspection functions and instigating criminal proceedings (see page 19).

If the licensing authority has agreed a 'no casino' resolution, this should be included within the statement, alongside details of how (ie by full council) and when the decision was reached.

Local area profiles

The updated guidance for licensing authorities recommends that, like operators, licensing authorities complete and map their own assessment of local risks and concerns by developing local area profiles to help shape their statements (although there is no requirement to do this). In simple terms, the objective of the profiles is to set out what your area is like, what risks this might pose to the licensing objectives, and what the implications of this are for the licensing authority and operators.

Licensing authorities may wish to include local area profiles within their statements. Alternatively, they could reference the implications of local area profiles for their regulatory approach in the statement, but maintain the actual profiles separately. **This would enable the profiles to be updated without the need to re-consult on amending the full statement of principles.**

Some councils have expressed concern about whether they have access to information about local risks, or whether there are any local gambling risks to be addressed at all. It may therefore be helpful to start from simple principles, and expect that for many authorities these profiles will develop over a period of time. Public health colleagues may have useful data to contribute, in addition to that supplied by the Police.

As stated, the aim of local area profiles is to build up a picture of the locality, and in particular the elements of it that could be impacted by gambling premises. This profile might therefore include reference to:

- schools, sixth form colleges, youth centres etc, with reference to the potential risk of underage gambling
- hostels or support services for vulnerable people, such as those with addiction issues or who are homeless, given the greater risk of problem gambling among these groups
- religious buildings
- any known information about issues with problem gambling
- the surrounding night time economy, and possible interaction with gambling premises
- patterns of crime or anti-social behaviour in the area, and specifically linked to gambling premises
- the socio-economic makeup of the area
- the density of different types of gambling premises in certain locations
- specific types of gambling premises in the local area (eg, seaside resorts may typically have more arcades or FECs).

Crucially, local councillors know and understand their areas as well as anyone, and are well-placed to contribute to the development of local area profiles. The Gambling Commission also recommend engaging with responsible authorities and other organisations that can help build up a profile of both actual and potential local risks in developing local area profiles. This includes organisations involved in public health, mental health, housing, education, welfare groups and community safety partnerships, and organisations such as Gamcare or equivalent local support organisations.

One issue to consider is whether there is a need to differentiate different parts of the licensing authority area in drawing up local area profiles, depending on the size and nature of the area.

A smaller authority may take the view that there are no reasons to distinguish one part of the borough from any other. In contrast, larger areas may wish to differentiate the area into segments or zones with different characteristics and risks, enabling them to outline different expectations for applications or operators based in each. For example, a larger licensing authority that has a specific geographic area with a higher density or specific type of gambling premises may wish to differentiate this from the rest of the borough. Similarly, smaller authorities may also find this approach suitable, for example if there is a busier town centre and surrounding rural area with a very different profile.

In March 2015, Westminster and Manchester councils launched a piece of research⁴ aimed at better understanding the issue of gambling related harm and local area vulnerability to it. The research is considering different risk factors related to gambling, with the intention of developing a tool that helps the councils map these to the local area and shape their statements of policy. The research is expected to conclude in September 2015, and the LGA (which has part funded the research) will help disseminate the findings and tools from the research to other licensing authorities, who may subsequently want to use these to develop their local area profiles.

⁴ www.westminster.gov.uk/research-project-tackle-gambling-issues-local-communities

Expectations of operators

Local area profiles will help the authority to develop its expectations of existing operators and new applicants in the licensing authority area. The statement of principles is the key tool for setting this out clearly, so that operators are clear what is expected of them.

Risk assessments

As an example, the statement of principles is an **opportunity for a licensing authority to set out its expectations of the local risk assessments that operators must now undertake** in respect of all gambling premises.

Operators are required to take into account the licensing authority's statement of principles in developing their risk assessments, so authorities should therefore specifically outline the issues they expect operators to cover within their risk assessments. Operators are not automatically required to share their risk assessments with licensing authorities except when they are applying for a new premises licence or to vary an existing one. However, the Gambling Commission is advising operators to do so. Authorities may use the statement of principles to clarify whether or not and how regularly they expect to receive a copy of each premises' risk assessment.

Authorities will wish to ensure that the risk assessment covers the following broad headings:

- reference to any specific local risks (linked to the local area profile)
- how the operator proposes to mitigate these risks
- how the operator will monitor specific risks.

The statement should also set out if the licensing authority has any specific expectations of risk assessments for different types of premises. This will be linked to broader expectations of operators (linked to activity and location), as set out below.

Applications and variations

The statement should also set out the licensing authority's expectations of new applications and the issues the authority will take into account in considering applications for new licences, permits or variations in different sectors or parts of the borough, depending on the risks associated with each.

This should include the information that the authority would expect to see as part of any such application, for example minimum standards for a plan and layout of the premises. It could also include a list of required information about staffing arrangements in the premises, or the security features that will be put in place.

Depending on the local area profile, authorities may wish to invite information at application stage about premises' intended participation in local business schemes (eg, if there is a BID) or other specific schemes such as Betwatch, if this is in place.

Similarly, authorities could invite applicants to outline specifically how individual premises will be implementing the various voluntary codes of practice that different sectors have developed, as well as the measures mandated in the licensing conditions and codes of practice.

The key point is that the statement is an opportunity to clarify your expectations of businesses in relation to new applications, reducing the input and resources required at the time an application is submitted.

Sector / area specific expectations

The statement should be used to set out the licensing authority's expectations of operators of different types of premises, or (if relevant) of premises in different parts of the licensing authority area. If there are particular risks associated with certain premises due to the facilities offered or their location, it is legitimate for the statement to set out upfront how it expects operators and premises to address this.

Local licensing guidance – South Leeds alcohol premises

South Leeds is an area of deprivation, with increasing numbers of outlets to buy alcohol, but a decline in the number of pubs. NHS Leeds (as was) and the local community officers had increasing concerns about the availability of alcohol in the area, along with an increase in street drinking, and generalized disorder. The publication of the Joint Strategic Needs Assessment highlighted a disparity in the life expectancy of residents in the area in comparison with other areas in Leeds and the national average. Alcohol misuse is known to be a possible contributory factor for a lowered life expectancy.

The council's South Leeds area team formed the multi-agency South Leeds Alcohol Group with the objective of reducing the health harms in the area which were linked with alcohol. The group consisted of the police, health, community safety, treatment services, planning, environmental health and licensing. The group met monthly to look at a number of approaches. The availability of alcohol was seen as key, but there were not enough on-licensed premises to warrant a cumulative impact policy. The group looked at alternative options and looked towards licensing as a solution.

In 2012, changes to statutory guidance on the Licensing Act enabled councils to require operators to have regard for the local area when making their application. The group therefore developed Local Licensing Guidance specifically for postcode areas of LS10 and LS11 (also known as Inner South Leeds), which has a population of approx. 82,000. The guidance has helped premises ensure that they are able to identify and include appropriate control measures in their applications. Of the five applications received since the development of the guidance that didn't include appropriate control measures, the Health and the Licensing Authority have negotiated with four premises who subsequently agreed to include additional control measures and a further application was withdrawn prior to hearing. The control measures included matters such as the positioning of alcohol within the store and agreement to display health information.

Similar approaches in gambling could include:

- Under-age sales
 - If a premises is based near a school or college, the measures that might be required to manage a higher risk of attempted under-age sales.
 - If the premises is a FEC or UFEC, expectations for how the premises will manage the risk of children and young people understanding different types of machine and / or seeking to access them.
- Security issues
 - Staffing requirements, if the premises is open late, or located in an area with a busy night time economy or record of crime / anti-social behaviour.
 - Whether alcohol is permitted, eg in a premises on a seaside pier.
 - Requirement for CCTV, maglocks, door chimes, alarms etc if there is a history of security incidents in the premises.

- Signage
 - For example, language requirements if there is a diverse local community where English may not be the first language.
 - Clear identification of different types of machine (eg gaming or skill machines) and / or prizes in premises where these may vary.
- Staff issues
 - Training requirements on particular issues relevant to the premises or area, eg) on different types of machine in a FEC / UFEC.

Another option is operator / premises participation in local schemes or industry best practice schemes (eg Safebet Alliance) designed to promote best practice and tackle any issues. In the alcohol licensed trade, schemes such as PubWatch, Best Bar None etc are common practice. This is far less common in relation to gambling, but may also have a role to play in some areas. Authorities could consider this as a default approach in specific areas, or as a first stage enforcement approach in areas where there are particular issues.

In relation to both existing operators and new applicants, the authority may wish to use the statement to outline a set of model licence conditions that operators could adopt if the local area profiles and risk assessments indicate it is necessary. The Gambling Commission's guidance to licensing authorities includes a helpful set of sample premises licence conditions arranged by security; anti-social behaviour; underage controls; player protection controls. These are listed at Annex 2.

Enforcement approach

Licensing authorities are required to set out in their statement the 'principles that they will apply in exercising their inspection function and instigating criminal proceedings' (that is, their approach to enforcement). As a minimum, the statement should outline the authority's intended approach in relation to:

- information sharing and targeting activity
- inspection activity and visits
- dealing with non-compliance by premises
- tackling illegal gambling.

It should be noted that in setting out its approach to inspection and enforcement, the authority will also be providing an outline of the basis for its fee structure, see page 23.

As in other areas of regulatory services, in developing their enforcement strategy, **authorities should adopt a 'better regulation' approach** that recognises the requirements of the statutory regulator's code⁵ and applies the principles of proportionality and transparency, particularly in terms of consultation and engagement with regulated businesses.

The Gambling Commission is keen for licensing authorities to foster a partnership approach to local regulation through working jointly with local businesses to tackle issues linked to gambling premises. The LGA – Association of British Bookmakers Framework for local partnership working on betting shops⁶ outlines this type of approach to partnership working between councils and the industry.

⁵ www.gov.uk/government/uploads/system/uploads/attachment_data/file/300126/14-705-regulators-code.pdf

⁶ www.local.gov.uk/documents/10180/6869714/L14-708++LGA-ABB+framework+for+local+partnership+working_08.pdf/29a0d2de-9cb5-4209-8544-d4c651c84470

LGA-ABB framework for partnership workings

The framework recognises that, despite the different opinions held by councils and the industry about the statutory aim to permit, there is a mutual interest in ensuring that local problems linked to betting shops are addressed. It also recognised that a partnership approach is likely to be more effective in resolving issues. This could include ward councillors; council licensing teams and community safety teams; police licensing and community officers; betting shop managers and betting shop area managers, as well as town centre managers, representatives of the wider business community and other stakeholders listed above.

There are different approaches that local areas can take for partnership working:

Ealing council set up a Betwatch scheme following concerns raised by local residents and councillors about the proliferation of 13 betting shops in Southall town centre and associated crime and disorder and antisocial behaviour. In a single year, there were 89 allegations of crime where a gambling premises was named as the location of the incident in Southall. The Betwatch group drew up action plans for tackling the issues, as well as test purchase failures in 3 of the premises, and a 'ban by one, ban by all' approach was introduced. Following the creation of the Betwatch scheme, crime within gambling premises decreased by more than 50 per cent on 2011 levels, alongside a significant reduction in public order offences and criminal damage incidents. Additionally, further underage test purchases took place in 2012 with no failures reported.

When concerns were raised about anti-social behaviour and crime associated with bookmakers on Deptford High St, **Lewisham Council** involved bookmakers in the development of two general business initiatives – the Deptford High Street Charter and Lewisham Borough Businesses Against Crime initiative. Alongside this, individual bookmakers made changes in order to address the problems of anti-social behaviour in and around their premises, including installing external CCTV and signs highlighting that the area is under surveillance; making amendments to remove places where street drinkers would often congregate; setting up new CCTV systems within stores which are regularly monitored; introducing banning orders against some problem individuals; and changing management and staff. This work resulted in a reduction of incidents in and around the bookmakers. Following the work, a local Betwatch scheme has been established.

Medway council worked with the Association of British Bookmakers and major operators to agree a voluntary agreement relating to the promotion of responsible gambling in Medway. Launched in December 2015, the agreement committed all parties to establishing a cross-operator self-exclusion pilot scheme within the Medway area; to developing a reporting of crime protocol in collaboration with the Medway Community Safety Partnership and Kent Police; and to adopting the industry voluntary code on safety and security – the 'Safe Bet Alliance'. See full case study on page 30.

A number of councils have now signed **primary authority agreements with some of the largest gambling operators covering the issue of age verification**.⁷ As with any other area, licensing authorities should therefore have regard to the plan agreed between the company and primary authority in developing their own programmes of activity and inspection. However, the primary authority relationship provides a useful mechanism to feedback general concerns about a particular operator, as the primary authority will have regular contact at senior levels with the operator: authorities should seek to reflect this in their enforcement approach.

Information sharing

To help target their enforcement activity and resources, authorities could use their statements to request that operators / premises share relevant information with them, for example about test purchasing results (subject to the terms of primary authority agreements) or about incidents in premises, which managers are likely to be required to report to head office. A licensing authority might seek information about numbers of self-excluded gamblers to help it develop its understanding about the risk of problem gambling in its area.

This type of information would help the authority to get a clearer picture of which premises may be experiencing issues, meaning that they can structure their inspection and enforcement activity appropriately.

Inspection activity and visits

The statement should set out the activity the authority intends to undertake as part of its standard (that is, pre-planned) inspection activity, and the issues it will be looking at when it does visit. This will ensure that operators know what to expect in terms of the frequency and nature of licensing authority visits.

The Gambling Commission, working with the Leicester, Rutland and Leicestershire Licensing Forum and Leicestershire Local Economic Partnership, has developed a range of templates to help authorities when they visit gambling premises:

www.gamblingcommission.gov.uk/Licensing-authorities/Information-for-licensing-authorities/Licensing-authorities-inspection.aspx. Compliance is made easier by making the regulations easier to understand and explain, and the Commission is encouraging authorities to make use of the templates.

The issues that licensing authorities may cover during their visits may include:

- details of training policies and training undertaken by staff
- records of refusals to serve / admit on age grounds (subject to the terms of any primary authority agreements)
- records of any relevant incidents in or outside the premises, eg anti-social behaviour
- approach to managing self-exclusion and numbers of people currently self-excluded
- involvement / impact of any work in local schemes or partnership working with other local businesses
- reviewing paperwork relating to the purchase of machines from licensed manufacturers
- interviews with staff members
- confirming that appropriate signage is in place.

⁷ The primary authority register is available to search at: <https://primaryauthorityregister.info/par/index.php/publicregister>

Dealing with non-compliance / risks to the licensing objectives

The statement should outline the steps the authority will take where there are reports of non-compliance, or there have been serious incidents linked to a premises. Authorities should make clear when and how they would expect to work with operators to try to resolve or address problems, and when an issue is so serious that it would expect to move immediately to initiate some form of enforcement action.

Authorities may wish to specifically cover:

- Dealing with test purchase failures (subject to the terms of any primary authority agreements). For example, the authority might require a premises to undertake certain measures to address this and undergo a follow-up test within a specified amount of time. A second failure would be expected to lead to enforcement action.
- Dealing with complaints from residents or neighbours. For example, an authority might have an established process to implement when it receives complaints about specific premises.
- Dealing with anti-social behaviour issues. For example, if an authority becomes aware that a premises is becoming associated with anti-social behaviour issues, it might in the first instance seek to work with the premises to address these through voluntary measures. If this is not successful in resolving the issues, the authority might then consider introducing conditions on the premises licence, or using other tools as appropriate.

The section on enforcement should the tools that licensing authorities will consider using to address issues that may be associated with gambling premises, often linked to alcohol and/or anti-social behaviour. Licensing authorities have the option under the Act to review, vary or impose conditions on a premises licence, but in practice these might not be the most effective tools to use to tackle problems linked to anti-social behaviour. Instead, tools specifically designed to reduce anti-social behaviour⁸, such as dispersal powers, community protection notices or new public space protection orders, may have more of an impact. In very, very rare instances, where a premises is being used or likely to be used to commit nuisance or disorder and working with the operator had failed to address this, a closure notice may also be served.

Tackling illegal gambling

The enforcement approach could also set out the authority's approach to illegal gambling, including how the authority intends to monitor the risk of illegal gambling or respond to any information linked to this risk. More information on illegal gambling is available on page 32.

⁸ See Home Office guidance on ASB powers: www.gov.uk/government/uploads/system/uploads/attachment_data/file/352562/ASB_Guidance_v8_July2014_final_2_.pdf

Licensing fees

Unlike fees for alcohol licences under the 2003 Licensing Act, licensing authorities have some discretion to set premises licence fees for gambling establishments. Councils in England and Wales have devolved powers to set fees for premises licence applications and annual fees up to a prescribed maximum fee set out in the table below. Licensing authorities can delegate responsibility for setting fees to their licensing committee or officers.

As with other licensing fees, licensing authorities should set their fees on the basis of cost recovery, so that the income received from fees is 'as nearly as possible' equal to the cost to the authority of administering the Act. Licensing fees should be reviewed annually to ensure that income from licensing fees does not exceed the costs of administering the Act in any single financial year, and income from licensing fees should effectively be ring-fenced to support councils' gambling work.

Licensing authorities are expected to be transparent about the assumptions that they make in setting fees, and will need to have a clear understanding of the costs they incur in carrying out duties under the Act in order to set fees accurately.

Licensing authorities can set fees in relation to the different types of gambling premises licence, and within each class, may set:

- an application fee
- an annual fee. As the first annual fee is payable 30 days after a licence is issued, councils have discretion to set a lower first annual fee to reflect that checks will recently have been made as part of the application process.
- a first / annual fee for a premises licence subject to a seasonal condition.
- fees to:
 - notify a change of circumstance
 - apply to vary a licence
 - apply to transfer a licence
 - apply for a copy of a licence
 - apply for reinstatement of a licence
 - apply for a provisional statement.

DCMS has previously provided advice⁹ on the type of costs that licensing authorities should include within their licensing fees. In relation to applications, any costs associated with the licensing authority of receiving, considering and determining the application may be included, including:

- staff costs
- overheads, IT, legal and other central support costs
- initial inspections
- Licensing Committee costs, and
- the cost of hearings and appeals.

In relation to annual fees, fees should cover:

- regulatory compliance and enforcement costs for the forthcoming year (eg inspection, holding reviews and enforcement activity). This would include any action in relation to illegal gambling, and could also include the cost of providing councillor training on gambling licensing.
- the costs associated with processing the annual fee (eg updating computer systems, register of gambling premises licences and processing fee).
- annualised periodic costs incurred by the licensing authority in respect of its three year licensing policy statements.

Licensing authorities that have set their fees close to or at the maximum levels prescribed by Government should be able to demonstrate why their fees are at higher levels than those set by other authorities. This may be because local costs (eg, salaries) are higher, or because they are undertaking a wider range of activities in relation to gambling premises, which can broadly be assessed from licensing authority returns to the Gambling Commission. This could include an extensive under-age sales programme, or work to tackle illegal gambling.

Again, as with other licensing fees, we are aware that **operators and their trade associations maintain a close eye on fees, and will not be afraid to challenge licensing authorities they believe are over-inflating fees** and / or not using the income solely for the purpose of overseeing gambling regulation.

The LGA has published general guidance on fee setting¹⁰, which licensing authorities may find helpful in determining licensing fees for gambling premises.

⁹ Available on the LGA Betting knowledge-hub group <https://knowledgehub.local.gov.uk/home>

¹⁰ www.local.gov.uk/documents/10180/5854661/L14-42+fees+guidance+report_05.pdf/5a4e8874-31e2-4158-b0cc-b5f30556c243

Table of maximum fees for gambling premises

Type of licensed premises	Maximum fee level					
	Application for premises licence	Annual fee	Application to vary a licence	Application to transfer a licence	Application for reinstatement of a licence	Application for provisional statement
Regional casino	15000	15000	7500	6500	6500	15000
Large casino	10000	10000	5000	2150	2150	10000
Small casino	8000	5000	4000	1800	1800	8000
Converted casino		3000	2000	1350	1350	
Bingo	3500	1000	1750	1200	1200	3500
Adult gaming centre	2000	1000	1000	1200	1200	2000
Betting premises (track)	2500	1000	1250	950	950	2500
Family entertainment centre	2000	750	1000	950	950	2000
Betting premises (other)	3000	600	1500	1200	1200	3000

Source: The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007 SI No 479/2007

Protecting vulnerable people from gambling related harm

Protecting children and other vulnerable people from being harmed or exploited by gambling is one of the three licensing objectives. Ensuring that this objective is upheld is one of the core responsibilities licensing authorities must meet.

Children and young people

It is an offence under the Act **to invite, cause or permit** a child (anyone aged under-16) or young person (anyone who is not a child but is aged under-18) to gamble. There are certain exceptions to this; for example participation in a lottery or football pools, or use of a category D gaming machine. It is also an offence **to permit** a child or young person to enter a casino, betting premises (other than a racecourse or track) or adult gaming centre. Again, there are exceptions to this, for example children and young people may enter family entertainment centres providing that they cannot access category C machines, and similarly can enter bingo establishments.

Operator responsibilities

The Gambling Commission's codes of practice deal extensively with the issue of access to gambling by children and young people. **Recent changes to the licensing conditions and codes of practice have significantly strengthened the responsibilities that are binding on operators in this area.** Specifically, operators and premises are required to:

- have **policies and procedures designed to prevent underage gambling**, and monitor the effectiveness of them
- **ensure that their policies and procedures take account of the structure and layout of their premises.** This is intended to ensure that issues such as the line of sight between counters and entrances in premises are taken into account. Test purchasing results have indicated that where the line of sight to entrances or gambling facilities is restricted, it is harder to perform successfully. This might particularly be the case in premises with limited staff numbers.
- **take all reasonable steps to ensure staff understand their responsibilities to prevent** under-age gambling, including the legal prohibitions on children and young people entering gambling premises
- **operate a Think 21 policy**, whereby staff check the age of customers who appear to be under 21.¹¹

Larger operators and casinos are now required to conduct underage test purchasing or take part in a programme of test purchasing, and provide the results of these exercises to the Gambling Commission. Many of these operators will have a primary authority agreement in place with a council covering age related sales. Smaller operators are advised to monitor the effectiveness of their policies and procedures for preventing underage gambling, but are not specifically required to undertake test purchasing.

¹¹ This is an ordinary code provision rather than a mandatory social code provision, but in practice it appears to be adopted by all operators. It is also part of the Association of British Bookmakers voluntary code.

Role of licensing authorities

Licensing authorities also have an important role to play in ensuring that operators uphold the licensing objective in relation to children and young people. The Act requires that authorities designate in writing a body to advise it on the protection of children from harm, and the principles for choosing this body must be set out in the authority's statement of principles. These principles are likely to include that the body should cover the whole licensing authority area, have sufficient resources, and be accountable to a democratically elected organisation, rather than a particular group. The Gambling Commission's guidance to licensing authorities states that 'such a body may, but will not necessarily, be the Local Safeguarding Children Board.'

Whoever the licensing authority nominates, the important issue is that it has ongoing engagement with that body in relation to gambling and wider licensing issues, rather than simply nominate them.

Licensing authorities can also use their statements of principles to set out their expectations of operators and individual premises in relation to preventing children and young people from gambling. This might include specific expectations of premises in the vicinity of schools or sixth form colleges; for example, a council may make specific recommendations relating to line of sight or door chimes in premises where there is a particular risk of children or young people seeking access to gambling.

Councils should also consider how under age testing programmes can help ensure the licensing objectives are met. Many councils operate their own underage test purchasing through trading standards and / or licensing teams, particularly in response to complaints or intelligence. Larger operators are now responsible for conducting / taking part in under-age testing and sharing these results with the Gambling Commission. Although these results are not automatically provided to licensing authorities, **licensing authorities may choose to ask for copies of test purchasing results and use this evidence to help target their own activity in this area** (subject to the terms of any primary authority agreements)

If there is evidence of ongoing failure by premises to prevent under-age gambling, licensing authorities will wish to consider whether it is appropriate to review the relevant licences and potentially include conditions aimed at addressing the issue.

New conditions for operators failing second underage test

A number of independent gambling operators had new conditions attached to their premises licences to strengthen underage gambling controls after East Lindsey District Council, Brighton and Hove City Council and Hastings Borough Council reviewed premises licences where operators failed to challenge an underage test purchaser for a second time.

Two adult gaming centre operators, a family entertainment centre and a betting shop were subject to premises licence reviews. These operators had submitted improvement plans to their authorities after failing a first test purchase exercise, but the latest re-tests demonstrated that weaknesses in controls had not been remedied.

Examples of the conditions now attached to premises licences include:

- a requirement for the licensee to have a Think 21 or Think 25 policy
- a requirement for regular test purchasing to be undertaken, to ensure the licensee monitors the effectiveness of their controls
- the use of magnetic locks to restrict access to premises
- the use of an infra-red beam system to alert staff to the presence of customers in age-restricted areas
- barriers to reduce the risk of children crossing from family entertainment centre premises into adult gaming centre premises
- re-positioning category D gaming machines away from entrances to adult gaming centre premises, to reduce the attraction of children to those areas
- induction and refresher training for staff.
- Operators cooperated with the local authorities during the review processes, and some offered up further measures to strengthen their controls in addition to the formal licence conditions, such as:
 - improving staff supervision of customers by moving age-restricted gaming machines to areas in front of manned areas or a staff counter
 - assigning a member of staff to have specific duties for supervising the age-restricted area.

In addition to managing the risk of under-age sales, councils could also consider how they can work with premises that may be able to identify children or young people who are truanting or in relation to whom there are safeguarding issues. As societal awareness of child sexual exploitation increases, it may be the case that premises that children and young people legitimately visit have a role to play in understanding and potentially highlighting the risk if they observe any warning signs. Councils and the police are developing training for other types of licensees (eg taxi drivers, takeaway owners) in relation to child sexual exploitation; there may be value in ensuring this type of material is available to staff working in family entertainment centres, for example. Again, the statement of principles can be used to set out any expectations in this area.

Gambling related harm and problem gamblers

The licensing objectives also aim to prevent other vulnerable people from being harmed or exploited by gambling. People who are vulnerable to gambling related harm may risk becoming problem gamblers, where problem gambling is defined as an individual's gambling that disrupts or damages personal, family or recreational pursuits. In a severe form it becomes an addiction which is recognised as a clinical psychiatric diagnosis, 'disordered gambling.'

The 2012 Health Survey for England found that in the previous year 68 per cent of men and 61 per cent of women had gambled, and that problem gambling rates were 0.8 per cent for men and 0.2 per cent for women.

Operator responsibilities

Under the social responsibility code, gambling licensees are required to have and put into effect policies and procedures designed to promote socially responsible gambling that reduces the risk of (or seeks to identify) problem gambling. Additionally, following increasing public concern about the risks posed by certain types of gambling (and in particular Fixed Odds Betting Terminals), in April 2014 DCMS announced new measures designed to strengthen player protection. The requirements on operators are summarised below:

- **Provision of information on gambling responsibly.** Licensees are required to make information available about how to gamble responsibly and access information / help about problem gambling. This must be displayed prominently throughout premises (eg, posters), next to ATMs and on screens. The information should include:
 - the availability of measures designed to control gambling, eg setting time or monetary limits, timeouts or reality checks
 - options for self-exclusion (see below)
 - options for seeking further help and advice.
- **Fixed odds betting terminals.** Operators providing B2 gaming machines must ensure that they automatically offer users the choice to set time or monetary alerts for both staff and customer. With effect from April 2015, anyone wishing to stake more than £50 on a B2 gaming machine must do so using account based play, or do so via a premises manager.
- **Customer interaction.** Licensees are required to have policies and procedures in place governing customer interaction where there are concerns that a customer is displaying signs of problem gambling. These will include the types of behaviour that may trigger an intervention; staff training in this area, and the circumstances when staff may consider refusing services to customers.
- **Layout of premises.** Operators must also ensure that their policies and procedures take account of the structure and layout of the premises. Licensing authorities can also ask for more information when considering premises applications to ensure they are satisfied that there are no impediments to supervision of the premises.
- **Self-exclusion.** Licensees must have procedures for self-exclusion that ensure those individuals who wish to self-exclude from gambling are prevented from participating in gambling. These should include closing customer accounts and removing individuals from marketing lists. Operators are expected to maintain registers of self-excluded individuals, and apply their procedures either through photo identification or alternative measures. Individuals who self-exclude must also be signpost to counselling and advice.

With effect from April 2016, self-exclusion schemes will operate on a multi-operator basis, meaning that an individual who self-excludes from one operator will be offered the ability to self-exclude from all operators offering the same type of gambling in the same locality.

Medway multi-operator self-exclusion pilot

The Association of British Bookmakers (ABB) and Medway Council developed the Medway Responsible Gambling Partnership that is currently piloting a multi-operator self-exclusion pilot. The agreement was signed in November 2014 by Medway Council, the ABB, Betfred, Coral, Ladbrokes, Paddy Power and William Hill.

Discussions between the bookmaking industry and Medway Council were started following council concerns about problem gambling. Both parties have subsequently worked together to address these concerns.

The partnership agreement committed all parties to establishing a cross-operator self-exclusion pilot scheme within the Medway area; to developing a reporting of crime protocol in collaboration with the Medway Community Safety Partnership and Kent Police; and to adopting the industry voluntary code on safety and security – the 'Safe Bet Alliance'. The cross-operator self-exclusion pilot scheme provides the main focus of the partnership agreement and has now been established in the Chatham area of Medway. All customers seeking to self-exclude will automatically enter into the pilot scheme which involves ten shops owned by three operators.

The pilot will be used as a learning exercise and test case for the Gambling Commission's proposed amendments to the social responsibility code of practice, as outlined in their Autumn 2014 Licensing Conditions and Codes of Practice consultation. To assist in this process all parties have committed to participating in a quarterly review process on a regular basis. The Chatham pilot scheme commenced on 1 December 2014 and will run for 12 months.

Operators must also ensure that their policies and procedures for customer interaction and self-exclusion take account of the structure and layout of the premises.

Alongside the requirements that are binding on gambling operators and premises, **many sections of the industry have developed their own voluntary codes to promote responsible gambling**. However, these codes will only have an impact if they are genuinely implemented by local premises. Licensing committees should question applicants on what practical steps will be put in place under these codes, with particular reference to any local risks or issues that may need addressing. For instance, a premises potentially opening in the vicinity of an addiction treatment centre is likely to need significantly enhanced safeguards around entry and exclusion.

Role of licensing authorities /councils

Licensing authorities will need to consider how they ensure that the objective of preventing gambling related harm is being met in their area. To ensure that their efforts are being targeted effectively, licensing authorities should consider how they can work with local operators to ensure that they are effectively implementing their responsibilities in this area. They should also consider the specific risks of gambling related harm / problem gambling in their area.

The LGA continues to lobby for a health objective in all licensing areas. However, unlike the Licensing Act 2003, health is not even a responsible body under the Act and therefore the onus will be on licensing authorities to develop evidence relating to specific risks and / or areas as part of their work on the statement of principles. This will help to inform the measures that councils expect operators to take to address such risks, if they are above and beyond the mandatory conditions that operators must already adhere to.

The risks and evidence of problem gambling can be difficult to identify and assess, not least as problem gambling is a hidden addiction in comparison to much more visible problems such as alcoholism or drug addiction. However, there is scope for councils to consider a range of data (for example, from public health teams or the Citizens Advice Bureaux). Additionally, more evidence is likely to become available following the conclusion of Westminster and Manchester's research into area vulnerability to gambling related harm.

Alongside the licensing role, councils have an important role in supporting problem gamblers through their public health responsibilities; for example, health and wellbeing boards can develop strategic approaches to problem gambling. Pressures on public health budgets may make it difficult to prioritise work on problem gambling, but there is nevertheless scope for effective targeting through work with known high-risk groups (eg, homeless people, or people suffering mental health issues) and through recognising the linkages (known as 'co-morbidity') with other addictions such as smoking or alcoholism. Health data can also be an important source of information to inform the local area risk assessment.

Further information is available in a joint LGA - Public Health England briefing note for councillors on problem gambling, which can be viewed at: <http://tinyurl.com/problemgamblingguide>

Other support providers

The Responsible Gambling Trust (RGT) is a charity committed to minimising gambling-related harm. The RGT is funded by donations from the gambling industry, and funds education, prevention and treatment services, as well as funding research to broaden understanding of gambling related harm. The Responsible Gambling Trust fund GamCare and gives grants to several treatment providers including Gordon Moody Association and CNWL National Problem Gambling Clinic.

In 2013/4, £6.3 million was raised, of which 85 per cent was spent on treatment and harm prevention activities.

Illegal gambling

Licensing authorities are entitled to use income from licensing fees to tackle instances of illegal gambling in their areas. Illegal gambling occurs where gambling takes place without the necessary licences or permits in place, or in a premises that isn't entitled to host a particular type of gambling. The typical types of illegal gambling that licensing authorities are likely to encounter locally are illegal poker clubs and illegally supplied or illegally sited gaming machines

Poker

Poker can be played legally in casinos, and can also be played in non-domestic / residential venues in certain specified circumstances, where:

- In the case of alcohol licensed premises, no participation fees are levied and stakes and prizes do not exceed those set in statutory regulations.
- In the case of clubs, participation fees, stakes and prizes do not exceed those set in statutory regulations.
- In the case of members' clubs with club gaming permits, participation fees do not exceed those set in statutory regulations; monies are not deducted from stakes or prizes; and clubs are not run wholly or mainly for the purpose of gaming. The Commission advises councils to scrutinise applications for club gaming permits carefully, warning that experience has shown that clubs will go to 'great lengths to disguise the true nature of their activities.'
- Poker takes place on a non-commercial basis that is not for private profit or gain, for example a poker night held to raise money for charity.

As a broad guide, where poker taking place outside of a casino involves a 'rake' (ie a commission fee taken by the person operating the game which exceeds statutory fees), it is possible that the game may be operating illegally.

The Gambling Commission has recently strengthened its guidance to licensing authorities on illegal gambling, urging councils not to discount taking action in relation to illegal poker clubs on the basis that they have not received complaints against them. In its guidance to licensing authorities, the Commission states that: '[councils are] very unlikely to receive complaints about such clubs, unless it is issues such as local noise and nuisance [as] the people attending the club do so from choice. [However] the club is effectively operating as an illegal casino and none of the protections afforded in a casino are in place, such as personal licence holders and anti-money laundering safeguards.' As in other areas of regulatory services, it may be the case that wilful non-compliance in relation to gambling controls is evidence of wider disregard for the law and in some cases serious criminal behaviour.

Reigate social club and its withdrawal of a club premises certificate and cancellation of a club gaming permit after an investigation into alleged illegal poker

A joint visit was undertaken to a club where illegal poker was allegedly taking place, involving the police, the local authority and the Gambling Commission. The visit identified customers who were not members, poker only being played on the premises and rakes being taken by the house.

The local authority decided to revoke the club premises certificate, which also allowed the club gaming permit to be revoked and the premises were closed.

The first action was therefore to cancel the club-gaming permit. The second action was to withdraw the club premises certificate under section 90 of the Licensing Act 2003. Although there is a right of appeal under s181 and schedule 5 part 2 paragraphs 14 and 15 of the Licensing Act 2003, there is no provision for the certificate to be effectively re-instated pending the appeal. The decision therefore takes effect once the notice is given to the club.

The consequence of that is that paragraph 17(2)(c) of schedule 12 to the Gambling Act comes into effect and this provides that because the club gaming permit was granted under paragraph 10 (ie the fast track procedure), it "shall lapse if the club premises certificate on which the application relied ceases to have effect."

Two months later those involved in the previous club tried to apply for new permission under a new name to reopen the club but the local authority refused the application on the basis of their previous behaviour.

Gaming machines

There are controls relating to both the supply and provision of gaming machines:

- manufacturers and suppliers of gaming machines must be licensed by the Gambling Commission
- a premises wishing to site a gaming machine typically requires a licence or permit, either:
 - an operator licence from the Commission and a premises licence from the licensing authority
 - an alcohol premises licence from the licensing authority
 - a gaming machine permit from the licensing authority.

Gaming machines may be illegally manufactured or supplied in order to avoid tax (machine games duty) and licence fees, and may not have the technical standards required by the Gambling Commission. The Gambling Commission advises operators and other venues entitled to provide gaming machines to ensure that they only obtain machines from Commission-licensed manufacturers: this might be something that licensing authorities wish to confirm as part of their compliance work in this area.

Operation Tailgate in London Borough of Haringey

In March 2014 Haringey's LA Tactical Enforcement Team coordinated and led Operation Tailgate, a multiagency, intelligence-led operation designed to address the concerns of residents, businesses and the Police about the unlawful activities of a minority of businesses engaging in various types of environmental crime and criminal behaviour. The Operation involved Met officers from the Neighbourhood Policing Team; Immigration Compliance and Enforcement Officers and Benefit Fraud Officers and Haringey Council Tactical Enforcement Officers.

The operation was very successful:

- five illegal gaming machines were discovered operating within a business. All illegal machines were seized by the police
- 13 individuals had their details taken by Benefit Fraud Officers. These will be investigated further and anyone found to be unlawfully claiming will be interviewed with the view to prosecution
- 16 immigration status checks were carried out by Immigration Compliance and Enforcement Officers
- two people were arrested by Immigration Compliance and Enforcement Officers. They have been detained and are currently awaiting removal from the UK
- Immigration Compliance and Enforcement Officers gathered intelligence from several businesses within Haringey identified as requiring further visits.

While the Gambling Commission is responsible for compliance issues relating to the manufacture and supply of machines, licensing authorities are responsible for compliance and enforcement where gaming machines are illegally sited, ie the required licences or permits authorising the machines (or number of them) are not in place. Typically, this issue has tended to occur in relation to pubs, clubs, social clubs and takeaways.

Lewisham – illegal gaming machines in takeaways

In January 2012, the Commission received information suggesting there may be gaming machines in a number of takeaways in the Lewisham area, without the required licence and/or permit. The Commission forwarded the information to the London Borough of Lewisham under the local authority compliance event (LACE) process. On receipt of the intelligence, the local authority took the following action:

- The six venues mentioned were visited. Each was found to have an unauthorised gaming machine.
- Suitable advice was given and all the machines were deactivated on the understanding they will be removed.
- Each was written to and given a formal warning that further offences will result in legal proceedings.
- The six venues were revisited by the enforcement team within fourteen days to ensure compliance.

This is a reoccurring problem. All takeaways in Lewisham are visited on a regular basis, and every owner has previously been verbally advised concerning the legal position. Initially all unauthorised machines were removed. In the event of further offences of this nature the licensing manager has agreed that the offender will be prosecuted and the matter extensively publicised at a local local level.

Intelligence and compliance action

Licensing authorities can work with the Gambling Commission in relation to illegal gambling, to draw on their experience and share intelligence. The Commission operates 'Local Authority Compliance Events' through which it will alert licensing authorities to intelligence it has received about allegations or evidence of illegal gambling affecting their areas. The Commission and licensing authorities might also receive or uncover evidence or concerns about illegal gambling on, for example, online poker forums, from the police, and from the gambling industry.

The Gambling Commission have developed a range of template letters for dealing with the types of illegal gambling that licensing authorities might experience, which can be accessed on their website.

Sector specific issues

Casinos

Unlike other types of gambling premises, the number of casinos is strictly limited and if a licensing authority does not already have an existing casino or is not a permitted area eligible to launch a competition for a casino licence, it is not currently possible to issue a casino licence for that area.

When the Act was introduced in 2005, 186 casino premises licences issued under previous legislation 'were converted' to the new regime. A converted licence can only be used in the licensing authority area in which it was granted, or its successor authority, but there is scope for these premises to relocate. There are 53 licensing authority that were designated in 1969 as 'permitted areas' entitled to have a casino.¹²

Additionally, fifteen English and Welsh licensing authority areas¹³ are permitted to issue a casino premises licence under the Act. These areas were selected following open competition; casinos authorised under this route can only be built at the location specified in the application. The Act specifies two different types of casino licence; for a large or small casino.

As part of its statement of principles, licensing authorities are entitled to pass a 'no casino resolution' or to state that it would welcome a casino if the opportunity to bid for a premises licence were to become available. As outlined above, a 'no casino' resolution must be agreed by the council, rather than delegated to the licensing committee. The Gambling Commission advises that the overall number and locations of casinos may be varied at some point in the future, it is still appropriate for licensing authorities to consider and determine their approach to casinos. However, when considering any additional work beyond this determination, councils should recognise that the likelihood and timescale of any change to existing numbers and permitted areas is unclear.

Alcohol licensed premises

The Act allows alcohol licensed premises to offer certain types of gambling activity, within certain parameters. In particular, gambling must remain ancillary to the main purpose of the premises, and the exemptions and entitlements are reliant on the premises holding a valid alcohol licence. Licensing authorities should be alert to the possibility of someone seeking an alcohol licence solely for the benefit of the gambling entitlements.

Alcohol licence holders are entitled to make available two gaming machines (category C or D) for use in alcohol licensed premises. To do so, the person holding the licence must notify the licensing authority of their intention to make gaming machines available for use, and pay the prescribed fee. If the person ceases to be the holder of the relevant licence for the premises, the entitlement ceases, and the new holder would subsequently need to apply.

Licensing authorities can make an order that removes the automatic entitlement to two gaming machines under certain circumstances. However, they may also replace the entitlement to two gaming machines by issuing licensed premises gaming machine permits for any number of C or D gaming machines in licence premises.

¹² Permitted areas under the 1968 Act: Birkenhead, Birmingham, Blackpool, Bolton, Bournemouth, Bradford, Brighton, Bristol, Cardiff, Coventry, Derby, Dudley, Great Yarmouth, Hove, Huddersfield, Kingston upon Hull, Leeds, Leicester, Liverpool, London, Luton, Lytham St Annes, Manchester, Margate, Newcastle upon Tyne, Northampton, Nottingham, Plymouth, Portsmouth, Ramsgate, Reading, Ryde, Salford, Sandown/Shanklin, Scarborough, Sheffield, Southampton, Southend-on-Sea, Southport, Stockport, Stoke-on-Trent, Sunderland, Swansea, Teesside/Middlesbrough, Torbay, Walsall, Warley, West Bromwich and Wolverhampton.

¹³ Permitted areas under the 2005 Act: Great Yarmouth, Hull, Leeds, Middlesbrough, Milton Keynes, Newham, Solihull, Southampton (large casinos); Bath and North East Somerset, East Lindsey, Luton, Scarborough, Swansea, Torbay, Wolverhampton (small casinos)

One current issue in alcohol licensed premises relates to the possibility of bingo in pubs. The Greene King pub chain applied to the Gambling Commission for a bingo operating licence, but was refused. Greene King appealed the refusal to First Tier tribunal, and the issued has been remitted back to the Gambling Commission, and both parties are now awaiting a date for the Upper Tier Tribunal.

Until such time as Greene King has an operating licence for bingo, there is no issue for licensing authorities to consider in terms of determining individual applications for premises licences by Greene King's pubs. It is likely that relevant legislation or regulations may be amended before such an instance occurs. However licensing authorities are advised to notify the Gambling Commission if any existing bingo operator licence holders seek to operate commercial bingo in a pub.

Family entertainment centres and unlicensed family entertainment centres

Family entertainment centres are premises (other than an adult gaming centre) wholly or mainly used for making gaming machines available for use. These can be either licensed or unlicensed.

An unlicensed family entertainment centre is subject to limited regulation under a uFEC permit, but is only entitled to make Category D machines available (see Annex 1 for an overview of machines, stakes and prizes). The entity making machines available on the premises (the arcade operator) does not need a Commission operating licence. However the entity supplying machines to the business (the machine supplier) must be licensed by the Commission.

A licensed family entertainment centre is entitled to make both Category C and D machines available. It is subject to similar controls to many other gambling businesses – the premises need a full premises licence from the licensing authority and the entity making machines available on the premises requires a Commission operating licence, as does the supplier of the machines.

Only premises that are wholly or mainly used for making gaming machines available may hold an uFEC gaming machine permit or an FEC premises licence. Both a licensed FEC and an uFEC are classified as 'premises'. Therefore, it is generally not permissible for such premises to correspond to an entire shopping centre, airport, motorway service station or similar: typically, the machines should be in a designated, enclosed area. The Gambling Commission has issued guidance to licensing authorities outlining its view that it is 'highly undesirable for FEC/ uFECs to be granted for entire venues.'

Licensing authorities must be aware of the distinction between machines that are defined as 'skill with prize' (SWP) machines and gaming machines. SWP machines must not have any mechanism that determines the outcome of the game: the game must operate in a consistent manner, and must be genuinely achievable, providing time and opportunity to win using skill, and not be influenced by chance. A game that contains an element of chance is a gaming machine.

SWPs are not caught as gaming machines and therefore do not count towards the B3 machine allowance in a family entertainment centre, or an alcohol licensed premises, members club, adult gaming centres or bingo premises. They may however be liable for Machine Games Duty and operators should confirm with Her Majesty's Revenue and Customs (HMRC) if they need to be registered.

Some operators have deployed machines as ostensibly SWPs, when in fact they contain elements of chance or other features which would make them properly gaming machines; or indeed contain a function that allows them to be switched between a "skill" game and a gaming machine. In such cases, these machines should be treated as gaming machines.

Checklist for councillors in England and Wales

This list is intended to help you focus on the key issues your authority should consider in developing its approach to local gambling regulation.

- Has the authority mapped local gambling provision / premises in the local area?
- Is the authority aware of any specific gambling related risks in the local area? How might these be mitigated?
- Has the authority set out an approach to preventing gambling by children and young people?
- What is the authority's approach to tackling illegal gambling?
- Has the authority engaged with local public health, addiction and treatment charities, CAB, homeless charities etc about problem gambling in the locality?
- Has the authority engaged with local operators and premises in developing its approach?
- Has the authority clearly set out its expectations of operator local risk assessments?
- Has the authority clearly set out its expectations of operators in relation to children and young people, including in those sectors where children and young people might legitimately frequent premises?
- Has the authority developed and shared with operators its approach to compliance and enforcement?
- How might partnership 'working with local operators support the authority's approach to local gambling regulation?
- How might tools and powers outside the Gambling Act support the authority's approach to gambling regulation?
- Can the authority demonstrate how it has reached the fee levels it has set?
- Has the authority ensured that licensing and planning policies share a common approach to new premises for gambling?

Glossary / definitions

Term	Description
The Act	The Gambling Act 2005
2003 Act	The Licensing Act 2003, covering alcohol, late night refreshment and regulated entertainment
Child	For the purposes of the Gambling Act 2005, anyone under the age of 16
Crane grab machine	A non-money prize machine in respect of which every prize which can be won consists of an individual physical object (such as a stuffed toy) won by a person's success in manipulating a device forming part of the machine so as to separate, and keep separate, one or more physical objects from a group of such objects.
Default condition	These are prescribed in regulations and will be attached to all classes of premises licence, unless excluded by the licensing authority
Equal Chance Gaming	Gaming which does not involve playing or staking against a bank.
Fixed odds betting	If a gambler is able to establish what the return on a bet will be when it is placed, (and the activity is not 'gaming' see below), then it is likely to be betting at fixed odds.
Fixed Odds betting terminals (FOBTs)	FOBTs are a type of gaming machine which generally appear in licensed bookmakers. FOBTs have 'touch-screen' displays and look similar to quiz machines familiar in pubs and clubs. They normally offer a number of games, roulette being the most popular.
Gaming	Gaming can be defined as 'the playing of a game of chance for winnings in money or monies worth, whether any person playing the game is at risk of losing any money or monies worth or not'.
Gaming Machine	Any type of machine allowing any sort of gambling activity including betting on virtual events but not including home computers even though users can access online gaming websites.
Licensing authority	A district, borough or unitary authority responsible for licensing gambling and other activities.
Licensing Objectives	<p>The licensing objectives are three principal goals which form the basis of the Gambling Act. Stakeholders who have an interest in the Act need to try and promote these objectives: The licensing objectives are:</p> <ul style="list-style-type: none"> • 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.

Term	Description
Lottery	A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part. A lottery is defined as either a simple lottery or a complex lottery.
Mandatory condition	A condition which will be set by the Secretary of State (some are set out in the Act and some will be prescribed by regulations) which will be automatically attached to a specific type of premises licence. The licensing authority will have no discretion to alter or remove these conditions.
Money prize machine	A machine in respect of which every prize which can be won as a result of using the machine is a money prize.
Non-money prize machine	<p>A machine in respect of which every prize which can be won as a result of using the machine is a non-money prize. The winner of the prize is determined by:</p> <p>(i) the position in which the coin or token comes to rest after it has been inserted into the machine, together with the position of other coins or tokens which have previously been inserted into the machine to pay a charge for use, or</p> <p>(ii) if the insertion of a single coin to pay the charge for use enables the person using the machine to release one or more tokens within the machine, the position in which such tokens come to rest after being released, together with the position of other tokens which have previously been so released.</p>
Non-remote gambling	Gambling that takes place in a physical premises.
Remote gambling	Gambling which people participate in via remote communications, eg telephone, internet etc.
Young person	For the purposes of the Gambling Act 2005, anyone who is not a child but is aged under 18

Annex 1: gaming machines - allowances, stakes and prizes

Category of machine	Maximum Stake	Maximum Prize
A	Unlimited	Unlimited
B1	£5	£10,000
¹⁵ B2	£100	£500
B3	£2	£500
B3A	£2	£500
B4	£2	£400
C	£1	£100
D – non-money prize (other than a crane grab machine)	30p	£8
D – non-money prize (crane grab machine)	£1	£50
D – money prize	10p	£5
D – combined money and non money prize (other than a coin pusher or penny falls machine)	10p	£8 (of which no more than £5 may be a money prize)
D – combined money and non-money prize (coin pusher or penny falls machine)	20p	£20 (of which no more than £10 may be a money prize)

¹⁵ The category B2 is not actually a traditional slot machine. It refers to a type of gaming machine known as a fixed odds betting terminal (FOBTs). These are a new type of gaming machine which generally appear in licensed bookmakers. FOBTs have 'touch-screen' displays and look similar to quiz machines familiar in pubs and clubs. They normally offer a number of games, roulette being the most popular.

Premises Type	Machine category						
	A	B1	B2	B3	B4	C	D
Large casino (machine/table ratio of 5-1 up to maximum)		Maximum of 150 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 150 (subject to machine/table ratio)					
Small casino (machine/table ratio of 2-1 up to maximum)		Maximum of 80 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 80 (subject to machine/table ratio)					
Pre-2005 Act Casinos (no machine/table ratio)		Maximum of 20 machines categories B to D (except B3A machines), or any number of C or D machines instead					
Betting premises and tracks operated by pool betting		Maximum of 4 machines categories B2 to D					
Bingo Premises				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4		No limit C or D machines	
Adult gaming centre				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4		No limit C or D machines	
Family entertainment centre (with premises licence)						No limit C or D machines	
Family entertainment centre (with Permit)							No limit on category D machines
	A	B1	B2	B3	B4	C	D

Premises Type	Machine category						
	A	B1	B2	B3	B4	C	D
Clubs or miners' welfare institutes with permits					Maximum of 3 machines in categories B3A or B4 to D		
Qualifying alcohol licensed premises					1 or 2 machines of category C or D automatic upon notification		
Qualifying alcohol licensed premises with gaming machine permit					Number of category C-D machines as specified on permit		
Travelling fair						No limit on category D machines	
	A	B1	B2	B3	B4	C	D

Annex 2 – sample of premises licence conditions

Extract from Guidance to Licensing Authorities 5 consultation

<http://www.gamblingcommission.gov.uk/pdf/GLA5---March-2015.pdf>

This section provides a sample of conditions that have been attached to premises licences by licensing authorities, with some amended for illustrative purposes. Licensing authorities should note that these are not blanket conditions but have been imposed in a number of circumstances to address evidence based concerns. Part 9 of this Guidance to Licensing Authorities (GLA) provides further details on the principles licensing authorities should apply when exercising their discretion to impose premises licence conditions.

The conditions listed below have been grouped under specific headings for ease of reference. There will inevitably be some overlap between those conditions that address different concerns, for example those related to security and to anti-social behaviour.

1. Security

- 1.1 No pre-planned single staffing after 8pm and, when this is unavoidable, for a Maglock to be in constant use.
- 1.2 A minimum of two members of staff after 10pm.
- 1.3 A minimum of two members of staff will be on duty throughout the whole day.
- 1.4 The premises will have an intruder alarm and panic button.
- 1.5 Maglock systems are employed and access is controlled.
- 1.6 Requirements for full-height security screens to be installed.
- 1.7 A requirement for 50% of the shop frontage to be clear of advertising so that staff have a clear view and can monitor the exterior of the premises.
- 1.8 The premise shall maintain a 'safe haven' to the rear of the counter.
- 1.9 The premises shall install and maintain a comprehensive CCTV system as per the minimum requirements of a Metropolitan Police Crime Prevention Officer. All entry and exit points will be covered enabling frontal identification of every person entering in any light condition. The CCTV system shall continually record whilst the premises is open for licensable activities and during all times when customers remain on the premises. All recordings shall be stored for a minimum period of 31 days with date and time stamping. Recordings shall be made available immediately upon the request of Police or an authorised officer throughout the preceding 31-day period.
- 1.10 A member of staff from the premises who is conversant with the operation of the CCTV system shall be on the premises at all times when the premises are open to the public. This member of staff must be able to show a member of the police or authorised council officer recent data or footage with the absolute minimum of delay when requested.
- 1.11 A monitor shall be placed inside the premises above the front door showing CCTV images of customers entering the premises.
- 1.12 If at any time (whether before or after the opening of the premises), the police or licensing authority supply to the premises names and/or photographs of individuals which it wishes to be banned from the premises, the licensee shall use all reasonable endeavours to implement the ban through staff training.

2. Anti-social behaviour

- 2.1 The Licensee shall develop and agree a protocol with the police as to incident reporting, including the type and level of incident and mode of communication, so as to enable the police to monitor any issues arising at or in relation to the premises.
- 2.2 The Licensee shall take all reasonable steps to prevent street drinking of alcohol directly outside the premises and to ban from the premises those who do so.
- 2.3 The Licensee shall place a notice visible from the exterior of the premises stating that drinking alcohol outside the premises is forbidden and that those who do so will be banned from the premises.
- 2.4 Notices indicating that CCTV is in use at the premises shall be placed at or near the entrance to the premises and within the premises.
- 2.5 The Licensee shall place and maintain a sign at the entrance which states that 'only drinks purchased on the premises may be consumed on the premises'.
- 2.6 The Licensee shall implement a policy of banning any customers who engage in crime or disorder within or outside the premises.
- 2.7 The Licensee shall install and maintain an ultraviolet lighting system in the customer toilet.
- 2.8 The Licensee shall install and maintain a magnetic door locking system for the customer toilet operated by staff from behind the counter.
- 2.9 Prior to opening the Licensee shall meet with the Crime Prevention Officer in order to discuss any additional measures to reduce crime and disorder.

3. Underage controls

- 3.1 The Licensee shall maintain a bound and paginated 'Think 21 Refusals' register at the premises. The register shall be produced to the police or licensing authority forthwith on request.
- 3.2 Customers under 21 will have to provide ID.
- 3.3 The premises will operate a 'challenge 25' policy and prominent signage and notices will be displayed showing the operation of such policy
- 3.4 Compulsory third party test purchasing on a twice yearly external system and the results to be reported to the Local Authority and police. In the first twelve months (from the date of the Review) two additional internal test purchase operations to be carried out.⁹⁷
- 3.5 A physical barrier (ie a supermarket metal type or similar) acceptable to the licensing authority, and operated in conjunction with the existing monitored alert system, to be put in place within 3 months from the date of the review.
- 3.6 No machines in the Unlicensed Family Entertainment Centre to be sited within one metre of the Adult Gaming Centre entrance.

4. Player protection controls

- 4.1 Prominent GamCare documentation will be displayed at the premises.
- 4.2 There shall be no cash point or ATM facilities on the premises.
- 4.3 The Licensee shall train staff on specific issues related to the local area and shall conduct periodic refresher training. Participation in the training shall be formally recorded and the records produced to the police or licensing authority upon request.
- 4.4 New and seasonal staff must attend induction training. All existing staff must attend refresher training every six months.
- 4.5 All notices regarding gambling advice or support information within the vicinity of Chinatown must be translated into both simplified and traditional Chinese.
- 4.6 Infra Red Beam to be positioned across the entrance to the premises.
To be utilised whenever:
 - (a) The first member of staff is not positioned within the Cash Box or,
 - (b) The second member of staff is not on patrol.



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