

AGENDA ITEM:13.3 Page Nos: 65-71

Meeting:	Council
Date	26 June 2007
Subject	Fees & Charges for Gambling Premises Licences
Report of	Director of Corporate Governance
Summary	This report sets out the proposed fees to be introduced for premises licensed for gambling under the provisions of the Gambling Act 2005.

Officer Contributors	Paul Lamb - Community Protection Group Manager Keith Walmsley - Acting Senior Licensing Officer Dorne Kanareck - Deputy Director of Corporate Governance Jeff Lustig – Director of Corporate Governance
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix A - proposed fee scales
For decision by	Council
Function of	Council
Reason for urgency/ exemption from call-in (if appropriate)	N/A

Contact for further information: Paul Lamb 020 8359 7491

1. RECOMMENDATIONS

- 1.1 That the fees for applications for premises licences under the Gambling Act 2005 as set out in Appendix A be approved and come into effect on the 27 June 2007.
- 1.2 That hereafter the responsibility for setting fees for applications for premises licences under the Gambling Act 2005 be delegated to the Licensing Committee
- 1.3 That the Democratic Services Manager be instructed to amend the Terms of Reference of the Licensing Committee to include agreeing increases to fees and charges for licence applications under the Gambling Act 2005.
- 1.4 That references to the Director of Planning & Environmental Protection or the Head of Planning in the Licensing and Gambling Policies be altered to Director of Corporate Governance and the Director of Corporate Governance take the appropriate action.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Decision by Council on 7 November 2006 to approve and adopt the report of the Licensing Committee dated 18 October 2006 which adopted the Gambling Licensing Policy.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The new gambling licensing regime is established by the Gambling Act 2005 important elements of which local authorities are obliged to implement. There are three statutory objectives to be met through licensing:
 - Preventing gambling from being a source of crime, being associated with crime 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.
- 3.2 The second objective is principally a matter for the Gambling Commission, which will issue operator and personal licenses. The Council will be mainly concerned with licensing gambling premises rather than gambling itself.
- 3.3 The Council approved a report of the Licensing Committee on 7 November 2006 which adopted the Gambling Licensing Policy. The decision also included the approval of a resolution not to licence any casinos within the borough in order to protect children and other vulnerable persons from being harmed or exploited by gambling. Fees for casinos have therefore not been included in the proposed fee schedule.
- 3.4 The Corporate Plan 2007/08 - 2010/11 sets out the Council's priorities and targets for service improvements over the next three years. The effective management of the gambling licensing regime directly supports the priorities of "Clean, Green and Safe" and "Supporting the Vulnerable".

4. RISK MANAGEMENT ISSUES

- 4.1 In order to receive and process gambling licence applications in accordance with statutory responsibilities, fees must be set.
- 4.2 Fee levels could be challenged through a judicial review process which would involve cost and adverse publicity. Fees must be set on a cost recovery basis.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Fees have been set on a cost recovery basis whereby the fee payable by businesses is proportionate to the Council's cost in delivering the service.

6. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 6.1 Applications for gambling premises licenses and permits will be processed by the existing licensing team within the Community Protection Group of the Directorate of Corporate Governance.
- 6.2 The proposed fee structure has been calculated to cover the cost of administering the gambling licensing regime. The estimated income in 2007/8 is £40,000.
- 6.3 The existing licensing IT system has been updated to process applications.
- 6.4 This is a new responsibility for the Council and costs have had to be estimated so there is a risk of under recovery. Costs are expected to be relatively small, therefore the risk is not considered significant and costs will be monitored and fees adjusted if required by the Licensing Committee under delegated powers.'

7. LEGAL ISSUES

- 7.1 Regulations made under the Gambling Act 2005 permit local authorities to set fees for regulating licensed premises used for gambling, providing they do not exceed the maximum permitted levels. The proposed schedule of fees is set out in Appendix A and they fall within the range of the maximum permitted level.

8. CONSTITUTIONAL POWERS

- 8.1 The Council can discharge all non-executive functions (Constitution, Part 3, Section 2). The Local Authorities (Functions and Responsibilities) (England) (Amendment) Regulations 2007 prescribe that the setting of fees under the Gambling Act 2005 is a non-executive function that may be exercised by the Council or delegated by it to the Licensing Committee.

9. BACKGROUND INFORMATION

- 9.1 Under the Gambling Act 2005 local authorities will become responsible for licensing the following premises:

- Casinos
- Bingo premises
- Betting shops
- Tracks
- Family entertainment centres (arcades with specific gaming machine entitlements)
- Adult gaming centres (arcades with specific gaming machine entitlements)

- 9.2 Local authorities will also be responsible for issuing the following permits:

- Alcohol licensed premises gaming machine permits
- Unlicensed family entertainment centre gaming machine permits
- Club gaming permits
- Club gaming machine permits

- Prize gaming permits

- 9.3 Local authorities are permitted to set their own fees (up to a specified maximum level specified by Regulations) for gambling premises licenses. Those fees must be based upon cost recovery only. The Gambling Act 2005, section 212(2)(d) specifically states that local authorities shall "aim to ensure that the income from fees as nearly as possible equates to the costs of providing the service to which the fees relates". Permit fees have been set nationally by central government.
- 9.4 The gambling industry has indicated that it will consider using the judicial review process to challenge fee levels where it believes fees have not been set on a cost recovery basis. Additionally, the Secretary of State retains the ability to remove local flexibility and set fees nationally if local authorities do not set fees responsibly.
- 9.5 The fees proposed within this report have been set on a cost recovery basis. The processes involved and experience from implementing the Licensing Act 2003 have been considered. Additionally proposed fees have been benchmarked with fees set by other London local authorities.
- 9.6. The gambling licensing regime comes into full effect from 1 September 2007. Advance applications for premises licences and permits to replace existing equivalent permissions can be received until 30 July 2007. No applications have yet been received. Once applications have been received and formally processed the fee structure should be reviewed to ensure fees have been set at an accurate cost recovery level.
- 9.7 It is necessary to have a fee arrangement in place now to meet this timescale. However, hereafter it is proposed that future responsibility for setting these fees rest with the Licensing Committee.
- 9.8 The Community Protection Group, which includes the licensing team, transferred from the Director of Planning & Environmental Protection to the Directorate of Corporate Governance in March 2007 under the day to day management of the Deputy Director of Corporate Governance. Therefore it is appropriate for all references to the Director of Planning and Environmental Protection or Head of Planning in the Licensing and Gambling Policies to be altered to Director of Corporate Governance.

10. LIST OF BACKGROUND PAPERS

- 10.1 Fee benchmarking list
- 10.2 Gambling Licensing Policy
- 10.3 Any person wishing to inspect these papers should telephone 020 8359 7491

Legal: JEL
CFO: JB

Appendix A - Gambling Act 2005 - Premises Licence Fees.

No Fees have been set for Casino Premises as the Council has made a resolution under Section 166 of the Act not to licence such Premises.

Figures in bold are the recommended fee levels for gambling premises in Barnet.

Classes of Premises Licence	Maximum Permitted Fee	Fee
Fast Track Application for Premises Licence Conversion	£300.00	£270:00

Non Fast Track Application for Premises Licence Conversion

Bingo Premises Licence	£1,750.00	£1200:00
Adult Gaming Centre Premises Licence	£1,000.00	£1000:00
Betting Premises (Track) Licence	£1,250.00	£1000:00
Family Entertainment Centre Premises Licence	£1,000.00	£1000:00
Betting Premises (Other) Licence	£1,500.00	£1100:00

New Application Fee

Bingo Premises Licence	£3,500.00	£1750:00
Adult Gaming Centre Premises Licence	£2,000.00	£1750:00
Betting Premises (Track) Licence	£2,500.00	£1750:00
Family Entertainment Centre Premises Licence	£2,000.00	£1750:00
Betting Premises (Other) Licence	£3,000.00	£1750:00

Annual Fee

Bingo Premises Licence	£1,000.00	£750:00
Adult Gaming Centre Premises Licence	£1,000.00	£750:00
Betting Premises (Track) Licence	£1,000.00	£750:00
Family Entertainment Centre Premises Licence	£750.00	£750:00
Betting Premises (Other) Licence	£600.00	£425:00

Classes of Premises Licence	Maximum Permitted Fee	Fee
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Provisional Statement - Application Fee

Bingo Premises Licence	£3,500.00	£2500:00
Adult Gaming Centre Premises Licence	£2,000.00	£1550:00
Betting Premises (Track) Licence	£2,500.00	£2150:00
Family Entertainment Centre Premises Licence	£2,000.00	£1550:00
Betting Premises (Other) Licence	£3,000.00	£2325:00

Application Fee - Provisional Statement Holders

Bingo Premises Licence	£1,200.00	£425:00
Adult Gaming Centre Premises Licence	£1,200.00	£425:00
Betting Premises (Track) Licence	£950.00	£425:00
Family Entertainment Centre Premises Licence	£950.00	£425:00
Betting Premises (Other) Licence	£1,200.00	£425:00

Transfer - Application Fee

Bingo Premises Licence	£1,200.00	£625:00
Adult Gaming Centre Premises Licence	£1,200.00	£625:00
Betting Premises (Track) Licence	£950.00	£625:00
Family Entertainment Centre Premises Licence	£950.00	£625:00
Betting Premises (Other) Licence	£1,200.00	£625:00

Classes of Premises Licence	Maximum Permitted Fee	Fee
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Variation - Application Fee

Bingo Premises Licence	£1,750.00	£1625:00
Adult Gaming Centre Premises Licence	£1,000.00	£1000:00
Betting Premises (Track) Licence	£1,250.00	£1250:00
Family Entertainment Centre Premises Licence	£1,000.00	£1000:00
Betting Premises (Other) Licence	£1,500.00	£1425:00

Re-instatement - Application Fee

Bingo Premises Licence	£1,200.00	£625:00
Adult Gaming Centre Premises Licence	£1,200.00	£625:00
Betting Premises (Track) Licence	£950.00	£625:00
Family Entertainment Centre Premises Licence	£950.00	£625:00
Betting Premises (Other) Licence	£1,200.00	£625:00

Notification Of Change of Circumstances Fee – All Premises	£50.00	£50:00
Copy of Licence Fee – All Premises	£25.00	£25:00