



# **Licensing Committee**

## 24<sup>th</sup> November 2014

UNITAS EFFICIT MINISTERIUM	
Title	Licensing Authority – Fixed Odd Betting Terminals
Report of	Strategic Director Growth & Environment
Wards	All
Status	Public
Enclosures	Appendix 1: Briefing on the London Borough of Newham's proposal
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### Summary

This is a report informing the Committee about a proposal that the London Borough of Newham is seeking to make to Government in relation to the current stakes offered in relation to fixed odd betting terminals in on street betting premises.

## **Recommendations**

1. That the Licensing committee note the proposal by the London Borough of Newham in relation to fixed odd betting terminals in on street betting premises.

#### 1. WHY THIS REPORT IS NEEDED

Under the Gambling Act 2005 the Council is the licensing authority for gambling premises in the Borough. The Act requires that a licensing authority should aim to permit the use of premises for gambling in so far as it thinks it is:

a) in accordance with any relevant code of practice or any guidance from the Gambling Commission;

- b) reasonably consistent with the licensing objectives; and
- c) in accordance with its gambling licensing policy.

The Council has a number of important regulatory functions in relation to gambling. These include licensing premises, regulating gaming and gaming machines in clubs, granting permits to what the Guidance refers to as 'family entertainment centres' for the use of certain lower stake gaming machines, regulating gaming and gaming machines on alcohol licensed premises, granting permits for prize gaming, and registering small society lotteries.

In relation to Gambling, there are 3 principles that are upheld in relation to granting licences and enforcement:

- Preventing gambling from being a source of crime and 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

There are currently 72 gambling premises licences in the borough.

The London Borough of Newham, is proposing to submit an application under the Sustainable Communities Act 2007 to reduce the maximum stake on Category B2 Fixed Odd Betting Terminals (FOBT) from £100 to £2 in on-street betting premises.

The Gambling Act 2005 states that B2/FOTB machines are only allowed in betting premises such as betting shops and bingo halls. However these premises can have up to 4 of these machines. There have been concerns raised in relation to these machines as the maximum stake is £100 per game, with each game lasting potentially only 20 seconds.

In April 2014, the Government announced new gambling protections and controls including:

i. New betting shops, where there is a change in use class, will now require a planning application

ii. Players accessing higher-stakes machines (over £50) will be required to use account-based play or load cash over the counter.

iii. It will be a requirement that all players of fixed odds betting terminals are presented with a choice of limits before play commences

iv. Gaming machines in betting shops will be required to present warning messages and pauses in play.

However these protections/controls do not address the concerns about the high maximum stakes.

#### 2. REASONS FOR RECOMMENDATIONS

This proposal has already gained the support of Councillor Hart, Chair of the London Borough of Barnet Licensing Committee. He has requested that this matter is brought to the attention of all members of the Licensing Committee.

#### 3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

None - the Committee is asked to note the proposal by the London Borough of Newham only.

#### 4. POST DECISION IMPLEMENTATION

Not applicable in the context of the report

#### 5. IMPLICATIONS OF DECISION

#### 5.1 **Corporate Priorities and Performance**

There are three statutory objectives to be met through licensing:

- (1) Preventing gambling from being a source of crime, being associated with crime or being used to support crime
- (2) Ensuring that gambling is conducted in a fair and open way

(3) Protecting children and other vulnerable persons from being harmed or exploited by gambling.

The Licensing of Gambling premises supports objectives contained within the Corporate Plan. In particular, in relation to "maintaining the right environment for a strong and diverse local economy" as well controlled gambling premises can contribute to the economic, cultural, environmental and social wellbeing of the borough.

# 5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

There are no resources implications of this report

#### 5.3 Legal and Constitutional References

The Gambling Act 2005 places on local authorities responsibility for making local licensing policies and considering applications for premises licenses.

The Council's Constitution, at Annex A to the Responsibility for Functions section, delegates to the Licensing Committee:

"All functions under the Licensing Act 2003 and the Gambling Act 2005 associated Regulations, not otherwise delegated to the Licensing Sub-Committee."

#### 5.4 Risk Management

There is a reputation risk by not acknowledging this proposal and the potential impact in the London Borough of Barnet. Particularly as one of the objectives for gambling is to protect children and other vulnerable persons from being harmed or exploited by gambling.

#### 5.5 Equalities and Diversity

As this is for information only there is no equalities and diversity impact.

#### 5.6 **Consultation and Engagement**

Not applicable in the context of this report.

#### 6. BACKGROUND PAPERS

None