

## LATE ITEM

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Meeting	Licensing Committee
Date	11 July 2012
<b>Subject</b>	<b>Fees and Charges for Gambling Premises</b>
Report of	Director Environment Planning and Regeneration
Summary	This report reviews and sets out the proposed fees for 2012-13 for premises licensed for gambling under the provisions of the Gambling Act 2005

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Officer Contributors	Emma Phasey
Status (public or exempt)	Public
Wards Affected	All
Key Decision	No
Reason for urgency / exemption from call-in	N/A
Function of	Council
Enclosures	
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## **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 immediately.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Decision by the Licensing Committee on the 21 May 2008 which agreed the current fee levels.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Council approved a report of the Licensing Committee in December 2009 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.
- 3.2 The effective management of the gambling licensing regime directly supports the priorities of the London Borough of Barnet's sustainable community strategy and in particular promotes a "successful London suburb" as it ensures that only legal well run premises are allowed to operate within the borough.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 The gambling industry has made it clear it will seek Judicial Review of local authorities it feels are setting fees purely to maximise revenues. A Judicial Review would have a significant financial implication and also impact negatively upon the reputation of the Council.
- 4.2 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.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 There are currently 71 licensed premises within the London Borough of Barnet, spread across virtually all of the wards as follows:
  - 8 Childs hill
  - 7 West Finchley
  - 7 Burnt Oak
  - 5 Edgware
  - 5 East Finchley
  - 4 Hale
  - 4 Mill Hill
  - 4 East Barnet
  - 4 Hendon
  - 4 West Hendon
  - 3 Woodhouse
  - 3 Colindale

- 3 High Barnet
- 2 Brunswick Park
- 1 Oakleigh
- 1 Totteridge
- 1 Finchley Central
- 1 Golders Green
- 1 Garden Suburb
- 1 Coppetts

5.2 The vast majority of these premises are run by large nationwide companies. William Hill, Ladbrokes, Coral, Paddy Power and Roar accounting for 57 of the licences held.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

6.1 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.

6.2 Local Authorities can set fees for gambling premises licences, permit fees have been set by central government. The figures below reflect all fees for completeness.

6.2 The fees proposed have been set on a cost recovery basis. The income generated offset the costs incurred by the department in administering the licences.

6.3 The total revenue collected for 2011-2012 was £48,750 of which £37,275 was collected in annual fees.

6.4 If the fee proposals contained within this report are approved, in 2012-13 the income expected to be collected through annual fees will be £41,180. With other fees expected to process new applications and other variations estimated in the region of £4,000. It is therefore estimated that total fee income will be the region of £52,880.

## **7. LEGAL ISSUES**

7.1 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

## **8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)**

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.

8.2 This function has been delegated to the Licensing Committee

## 9. BACKGROUND INFORMATION

- 9.1 The new gambling licensing regime is established by the Gambling Act 2005. 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.
- 9.2 Under the Gambling Act 2005, local authorities are 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)
- 9.4 Local authorities are also 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
- 9.5 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 fee relates*". Permit fees have been set nationally by central government.
- 9.6 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.
- 9.7 Applications for gambling premises licenses and permits are processed by the existing licensing team within the Community Protection Group of the Directorate of Environment, Planning and Regeneration Directorate.
- 9.8 The fees proposed within this report have been set on a cost recovery basis. The following activities and their costs can be taken into account when setting fees

- Dealing with applications
- Dealing with representations
- Mediation
- Holding committee hearings
- Involvement in appeals
- Carrying our reviews
- Inspections
- Compliance
- Enforcement
- Information exchange
- Maintaining registers
- Future reviews of the gambling policy

9.9 The current fees were agreed by council on 21<sup>st</sup> may 2008. These can be found in Appendix A.

9.10 The Gambling Act 2005 states the Secretary of State should publish guidance on the frequency that the fees should be reviewed. This guidance has been published and states that fees should be reviewed annually. The fees have been reviewed annually since 2008 and it has not deemed necessary until now to amend the fees charged.

9.11 All gambling applications received by the Licensing Department have been tracked in accordance with the Local Authority Co-ordination Of Regulatory Services (LACORS) guidance, with information gathered with regard to the time and resources spent in processing each application received. Following this review revised fees are proposed that reflect an actual cost recovery position. These proposed fees are attached as per Appendix 1.

9.12 Officers will continue to track new applications received in line with guidance to ensure that the fees are reviewed regularly and set on a cost recovery basis.

## **10. LIST OF BACKGROUND PAPERS**

10.1 Gambling Act 2005

## APPENDIX 1 – PROPOSED FEES

### New Application Fee

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£3500	£1250	£1110
Adult Gaming Centre	£2000	£1250	£1110
Betting Premises Track	£2500	£1250	£150
Family Entertainment Centre	£2000	£1250	£150
Betting Premises (Other)	£3000	£1250	£1110

### Annual Fee

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£1000	£525	£580
Adult Gaming Centre	£1000	£525	£580
Betting Premises Track	£1000	£525	£580
Family Entertainment Centre	£750	£525	£580
Betting Premises (Other)	£600	£525	£580

### Provisional Statement

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£3500	£1150	£1070
Adult Gaming Centre	£2000	£1150	£1070
Betting Premises Track	£2500	£1150	£1070
Family Entertainment Centre	£2000	£1150	£1070
Betting Premises (Other)	£3000	£1150	£1070

### Application Fee – Provisional Statement Holders

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£1200	£950	£1000
Adult Gaming Centre	£1200	£950	£1000
Betting Premises Track	£950	£950	£1000
Family Entertainment Centre	£950	£950	£1000
Betting Premises (Other)	£1200	£950	£1000

**Transfer**

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£1200	£625	£1060
Adult Gaming Centre	£1200	£625	£1060
Betting Premises Track	£950	£625	£1060
Family Entertainment Centre	£950	£625	£1060
Betting Premises (Other)	£1200	£625	£1060

**Variation**

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£1750	£1150	£1020
Adult Gaming Centre	£1000	£1000	£1000
Betting Premises Track	£1250	£1150	£1020
Family Entertainment Centre	£1000	£1000	£1000
Betting Premises (Other)	£1500	£1150	£1020

**Reinstatement**

	Max Permitted Fee	Current fee	Proposed fee
Bingo Premises	£1200	£625	£600
Adult Gaming Centre	£1200	£625	£600
Betting Premises Track	£950	£625	£600
Family Entertainment Centre	£950	£625	£600
Betting Premises (Other)	£1200	£625	£600

Notification of change of circumstances fee – All Premises	£50	£50	£50
Copy of Licence Fee – All Premises	£25	£25	£25

## Permit Fees – set by central government

Type of permit	Conversion fee	New permit fee	Annual fee	Variation fee	Renewal fee	Transfer fee	Name change fee	Copy of permit fee	Notification fee
Licensed premises gaming machine permit	£100	£150	£50	£100		£25		£15	£50
Club gaming permit	£100	£200	£50	£100	£200			£15	
Club machine permit	£100	£200	£50	£100	£200			£15	
Prize Gaming permit	£100	£200			£200		£25	£15	
Unlicensed family entertainment centre permit	£100	£300			£200		£25	£15	