

Report Title:

Gambling Establishments in Haringey – Feasibility Report for a Possible Full Scrutiny Review

Report authorised by:

Cllr Gideon Bull, Chair of the Overview and Scrutiny Committee

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Wards(s) affected: **ALL**

Report for: **Non Key**

1. Purpose of the report (That is, the decision required)

1.1 In June 2008 the Overview and Scrutiny Committee asked for a one off feasibility report on the practicality of undertaking an in-depth review on the issues surrounding the licensing of gambling establishments in Haringey.

1.2 The aim of this report is to consider the feasibility of the Overview and Scrutiny Committee commissioning a scrutiny review on the licensing of Gambling Establishments in Haringey.

2. Introduction by Cabinet Member (if necessary) N/A

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1 *Priorities:* To create a *Better Haringey*: cleaner, greener and safer

3.2 Sustainable Community Strategy 2007 – 2016 with:

- People at the heart of change

Where Haringey will:

- have an environmentally sustainable future
- have economic vitality and prosperity shared by all
- be safer for all

4. Recommendations

- 4.1 That the Committee do not commission a full scrutiny review of the licensing of gambling establishments in Haringey at this current time.
- 4.2 That the Directorate report back to the Committee on or before September 2009 to provide further analysis of the impact of the Gambling Act (2005) in Haringey.
- 4.3 That a Member Development session be undertaken, jointly facilitated by Licensing and Planning, to allow Members to discuss issues pertaining to the future licensing and planning applications of gambling establishments in Haringey.

5. Reason for recommendation(s)

- 5.1 There is little benefit of undertaking a scrutiny review of the licensing of gambling establishments in Haringey as this process is very tightly prescribed by national legislation (Gambling Act 2005).
- 5.2 The Gambling Act (2005) only came into effect in September 2007. The parameters through which the Licensing Authorities (the Local Authority) consider gambling licenses and set conditions are still being tested.
- 5.3 The Department of Culture and Media & Sport is aware of the proliferation of betting shops and has launched an investigation in to the scope and extent of this problem. It intends to investigate what additional powers the Licensing Authorities will need to address this issue.
- 5.4 Depending on the nature and scope of the planned DCMS investigation (5.3) Haringey Council will consider whether to commission research to investigate the local impact of the Gambling Act (2005).
- 5.5 It would appear that the Licensing Authority (the Local Authority) has little local discretion in the consideration of premises licenses for gambling operators. It is noted that Haringey Council lost 3 appeals in respect of licensing gambling establishments.
- 5.6 Whilst the Gambling Act (2005) seeks to encourage greater local participation in gambling license decisions, the actual scope for potential Member and public representations is limited. This inability to influence the licensing decision process has precipitated local frustration.

6. Other options considered

- 6.1 An alternative option of undertaking a full scrutiny review would not be appropriate at this time for those reasons set out above.

7.1 Summary - background

7.1.1 The Gambling Act (2005) created a new role for Local Authorities where, as the Licensing Authority, they are required to consider applications for premises licenses from gambling operators. Since this legislation was introduced in September 2007, the Licensing Authority has considered 10 new applications for betting shops in Haringey, three of which were initially rejected. Upon appeal to the Magistrates Court, gambling operators successfully overturned all three refusals for a premises license.

7.1.2 In this context, there are concerns among both elected Members and the wider public that the new regulatory framework provides little local discretion in the consideration of such license applications, which may in time lead to a proliferation of gambling establishments throughout the locality. Without stronger local regulation, there is some anxiety that the expansion of betting shop outlets may be focussed in more deprived neighbourhoods in the borough, where rents may be lower.

7.1.3 Evidently, these concerns are not confined to Haringey, as the Local Government Association is currently lobbying government to reintroduce the power of the Licensing Authority to restrict licenses in geographical areas.¹ The following provides an overview of the main issues in considering a possible full scrutiny review of this issue. A number of conclusions and recommendations have been drawn from the evidence presented and summarised in section 7.9.

7.2 Gambling in the UK

What is gambling?

7.2.1 Gambling can be defined as '*the wagering of money or something of material value on an event with an uncertain outcome with the primary intent of winning additional money and/or material goods*'. Gambling can take many forms and operate through a variety of mediums. The following table outlines the main forms of gambling and the nature of the activities involved.

	Definition	Example	Medium
Gaming	Stakes on a game of chance	Casino games	Casinos, internet.
Betting	Stakes on a race, outcome or event	Sports results	On course, bookmakers, internet, telephone,
Lottery	Allocation of prizes on basis of chance	National Lottery Local Lotteries	Retail outlets, internet, telephone and other venues.

Prevalence of gambling

7.2.2 The most recent prevalence data (2007) indicated that in excess of 2/3 (68%) of the adult population undertook some form of gambling activity in the previous 12 months.² If those who solely gamble on the National Lottery are excluded however, then just under

¹ <http://www.lga.gov.uk/lga/core/page.do?pageld=1083651>

² Gambling Prevalence Survey 2007

½ (48%) of the adult population participated in some form of gambling in the past 12 months.² Current trend data would appear to indicate a decline in gambling activity in the UK in the period 1999-2007.²

7.2.3 The most popular form of gambling in the UK is the National Lottery in which over ½ (57%) of the adult population participate.² Scratchcards (20%) and horseracing (17%) are the next most popular form of gambling activity.² The data also shows the emergence of new forms of gambling such as spread betting (where potential winnings are linked to accuracy of wager) and Betting Exchanges (betting intermediary). A table depicting the prevalence of different gambling activities in the UK is given below.

Engaged in different forms of gambling in past 12 months (2007).²			
National Lottery	57%	Private betting	10%
Scratchcards	20%	Bingo	7%
Horseracing	17%	Dog racing	5%
Slot machine	14%	On line	3%
Other lotteries	1%	Spread Betting	1%
		Betting Exchanges	1%

Key gambling data

7.2.4 Whilst the prevalence of gambling in the adult population may have gone down since 1999, the amount of money that has been staked has grown significantly in the past 5 years. Total UK gambling stakes rose from £53 billion in 2001-2 to £91 billion in 2005-6.⁵ The gambling industry is a significant contributor to the UK economy employing over 120,000 people and contributing £1.4 billion to the exchequer each year³; equivalent to 1% of all government revenues.⁴

³ Preventing UK Gambling Harm, Responsibility in Gambling Trust, 2007

⁴ Department of Culture Media & Sport, Gambling Data 2008

⁵ HMRC bulletins, Gaming Board, Gambling Commission Annual Reports, DCMS estimates.

⁶ Betting shop gaming machines cause concern Daily Telegraph 4th March 2005

⁷ Cost of UK's Gambling Habit The Guardian 29th September 2007

⁸ Ladbrokes Biggest Earner the Guardian 17th August 2008

⁹ Scoping Study for a UK Gambling Act (2005) Impact Assessment Framework DCMS 2007

¹⁰ Research on Social Impacts of Gambling, Scottish Office, 2006

¹¹ Research on the Social Impact of Gambling 2006

¹² Preventing UK Gambling Harm, Responsibility in Gambling Trust, 2007

¹³ Gamcare Services Report 2007

¹⁴ Gamcare Services Report 2007

¹⁵ National Problem Gambling Clinic (Soho), North West London NHS Foundation Trust.

¹⁶ Adult gaming centres are arcades with machines with high value pay outs.

¹⁷ Based on data provided by Licences, Urban Environment as of 05/11/08

¹⁸ Fair Rules for Strong Communities, DCMS 2008

UK Gambling Stake 2001-02-2005-06 (£ million) ⁵	
Financial Year	Total Stake
2001-02	52,561
2002-03	63,394
2003-04	77,916
2004-05	92,496
2005-06	91,516

7.2.5 Betting shops were first legalised in the UK in 1961. Historically, there were many more betting shops in the UK than there are at present; in the early 1980's there were approximately 15,000 betting shops. With consolidation among gambling providers, there are estimated to be approximately 8,800 betting shops currently in the UK.

7.2.6 There has been widespread speculation that the advent of highly profitable Fixed Odds Betting Terminals (FOBT) in betting shops has arrested the decline of betting shops: in 2001, when the first FOBTs were installed in shops, there were 39 new planning applications for licensed bookmaker premises, in 2002 the figure rose to 98, in 2003 it was 196 and 2004 there were 340 applications were made.^{6, 7, 8}

7.3 The Gambling Act 2005

7.3.1 The Gambling Act (2005) was introduced to reflect the widespread changes that have occurred throughout the gambling industry and recognition of the need to modernise and update a regulatory framework which had been in force for nearly 40 years. The centrepiece of this legislation was the creation of the Gambling Commission, a new independent regulator for all gambling activities in the UK.

7.3.2 The Gambling Commission is required to regulate gambling in the interests of the public and is responsible for the regulation of bookmakers, casinos, bingo clubs, lottery operators, arcade operators and remote gambling operators. In regulating these gambling operators, the Commission is been required to adhere to three key principles:

- to keep crime out of gambling,
- ensure that gambling is conducted fairly and openly,
- to protect children and vulnerable people from being harmed or exploited by gambling.

7.3.3 The Gambling Act (2005) established a tripartite system of regulation involving the government, the Gambling Commission and the Licensing Authority (the Local Authority). The regulatory framework for the gambling industry is underpinned by the issuing of three types of license; these are administered by the Gambling Commission and the Licensing Authority. The type of license and the issuing authority are summarised below:

<u>License Type</u>	<u>Issuer</u>	<u>Purpose</u>
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Operating License	Gambling Commission	That operators comply with principle gambling objectives
Personal License	Gambling Commission	Certain senior individuals to require a license within some operators
Premises License	Licensing Authority	Applications considered where gambling premises are located

7.4 The role of the Gambling Commission

7.4.1 The Gambling Commission issues operating licenses to prospective gambling providers. A gambling operator wishing to open a gambling establishment in any locality will first need to obtain an operating license. The Gambling Commission will assess prospective operators to ensure that it has appropriate governance procedures and is compliant with the overriding aims of the legislation (as in 7.2.2). Successful applicants may apply for premises license from the Licensing Authority where it wishes to conduct its gambling activities.

7.4.2 Through providing information, guidance and support to Licensing Authorities the Gambling Commission aims to ensure that there is a consistent national standard of licensing. The Gambling Commission has extensive powers and may impose a range of restrictions on individual licensees. The Commission can enter premises, impose unlimited fines and ultimately withdraw licenses. The Commission also has powers to investigate and prosecute illegal gambling.

7.5 The role of the Licensing Authority (Local Authority)

Statement of Gambling Policy

7.5.1 The Gambling Act (2005) requires each Licensing Authority to produce a statement of gambling policy for their locality. This policy is intended to show how the Licensing Authority will exercise its functions and the principles it intends to apply. The Licensing Authority must demonstrate that it has consulted local stakeholders in the development of the local gambling policy.

7.5.2 Whilst all Licensing Authorities are required to produce a local gambling policy, there is in effect little local variation, as the content of such policies are tightly prescribed by the Gambling Commission.

Premises License

7.5.3 The main role of the Licensing Authority is to consider applications for premises licenses from gambling operators intending to conduct gambling activities in the locality. The Licensing Authority is required to approve premises licences for all gambling activities in the locality for gambling activities including:

- bingo
- betting shops
- adult gaming centres (high stakes electronic gaming)
- family gaming centres (lower stakes electronic gaming)
- casinos

- racecourses and dog tracks.

7.5.4 In considering the application for a premises license the Licensing Authority there are three conditions of the license; mandatory, default and discretionary. Mandatory and default conditions are prescribed by the Gambling Act; mandatory conditions cannot be varied by the Licensing Authority but default conditions can be added or removed by the Licensing Authority and are the for premises license.

7.5.5 The Licensing Authority does have limited powers to vary the conditions of the premises license under the discretionary guidance. Such variations may include the opening hours or security arrangements for the proposed gambling establishment. Once again, the conditions that the Licensing Authority are able to set within individual licenses are tightly prescribed by the Gambling Commission and cannot contravene guidance issued from the regulator. In summary, the Licensing Authority can only set conditions where:

- they are relevant to make the building safe
- directly related to the premises
- fairly and reasonably relate to the scale of the premises
- reasonable in all other aspects.

7.5.6 It is of critical importance to note that the Gambling Act clearly specifies that the Licensing Authority *must aim to permit* applications for a premises license so long as this conforms to Guidance and Codes of Practice from the Gambling Commission and conforms to the Gambling Policy of the Licensing Authority. In this context, so long as the applicant can demonstrate that the license does not contravene the 3 gambling objectives (crime and disorder, fair and open gambling & protection of children and vulnerable adults) there is limited scope for the Licensing Authority to reject the application.

7.5.7 Prior to the Gambling Act (2005), the approval of local gambling licences was exercised by the Local Magistrates Court. Within this previous system there would appear to have been more local discretion in considering license applications, in particular Magistrates could apply a 'demand test', where licenses could be withheld if it was considered that there were too many gambling premises to meet anticipated demand in a particular area. There is no such provision in the new legislation.

Enforcement

7.5.8 Enforcement of the Gambling Act and associated regulations and licenses is shared between the Gambling Commission, the Licensing Authority and the police. The Licensing Authority is specifically expected to monitor and enforce the conditions of premises licences. To this end, an annual inspection of gambling operators in the area is undertaken to ensure that they are compliant with the terms of their premises licences. The inspection may assess a range of factors including:

- Ensuring that there is no change on the specified floor plan
- Is compliant in terms of number and location of gaming machines
- Ensuring that self exclusion forms barring problem gamblers are prominently displayed
- Contact information from agencies providing support for problem gamblers is

prominently displayed

Greater local participation in licensing decisions

7.5.9 By making the Local Authority the Licensing Authority instead of the Magistrates Court, the Gambling Act (2005) intended to give local people more say in local licensing decisions. As the business of the Licensing Authority is managed through the existing Licensing structures of the Local Authority there is the potential for greater local participation and greater local scrutiny of gambling license applications through:

- licensing and Planning Committee meetings being held in public
- elected representatives being able to sit on licensing committees
- elected representatives being able to make representations about a license without being asked by a resident to do so.

7.5.10 When the Licensing Authority is considering a premises license from a gambling operator, the Gambling Act specifies that representations may be made from a variety of local stakeholders including responsible authorities (e.g. Local Authority, police, planning, fire), a person resident close to the prospective gambling premises, local business interests or representatives of any of the preceding groups (e.g. lawyers, Councillors). However, potential representations from the above parties can only be made if they are relevant to the three governing gambling principles; that it is fair and open, does not generate crime & disorder and ensures the protection of vulnerable adults and children.

7.5.11 In this context, it is unlikely that local groups or individuals will be able to generate sufficient weight of evidence to be able to influence gambling license decisions. Given the limited scope from which local interested parties may make representations to the Licensing Authority and its limited potential impact, it is inevitable that this may generate considerable local frustration.

7.5.12 All appeals against decisions made by the Licensing Authorities in England and Wales are made to the Magistrates Court. It is noted that Haringey Council has been unsuccessful in defending 3 appeals from gambling operators seeking premises licenses.

Planning

7.5.13 Where the proposed gambling establishment incorporates a change in the nature of the use of the particular premises, planning permission may also be required. The Unitary Development Plan (UDP) sets out in the context of national planning policy the local planning policies of the borough. The UDP is therefore instrumental in informing local planning decisions. (It should be noted that a licensing application can be decided without there being the correct planning permission in place; the Gambling Act (2005) forbids the Licensing Authority from taking into account the planning status of the premises in question.)

7.5.14 Whilst it may be possible to reject planning permission for a gambling establishment on the basis that this contravenes the intention of the UDP, it should be noted that guidance within UDP may not be definitive and may be open to individual interpretation and subsequent legal challenge. It should also be noted that planning approval may not be necessary when the use of the premises does not change; thus a pub, restaurant

conversion to a betting office may not require explicit planning approval.

7.5.15 Appeals against planning decisions may be made on the basis that this may affect residential amenity; that is the planned change in building use may precipitate (for example) additional noise, congestion or crime related activities in the area which may be detrimental to residents. Residents must be able to demonstrate that the planned change will have a material or direct effect.

7.5.16 Appeals from Planning Committee decisions are determined by the Planning Inspectorate and can incorporate a range of different methods: written representation (document exchange), informal hearing (planning inspector with public) and public enquiry (quasi-judicial process). Appeals can be costly processes.

7.6 The impact of gambling

7.6.1 It is widely agreed that there is a dearth of research evidence to indicate what impact gambling has upon wider society.⁹ UK national studies have concluded that there is very little evidence to indicate what impact legalised gambling has had because:

- too few studies been undertaken,
- studies that have been undertaken are not robust,
- there is little longitudinal data to assess impact of gambling over time.⁹

7.6.2 Of particular interest for this study is the relationship between gambling and crime. Whilst there have been a number of studies investigating the impact of gambling upon crime, researchers have come to the conclusion that the evidence is too inconsistent to make any definitive association.⁹

7.6.3 The paucity of evidence at the national level is of critical importance in the context of the Licensing Authority's consideration of premises licenses and subsequent appeals of these decisions. In the absence of robust national evidence, the onus is upon local Licensing Authorities to produce localised data to substantiate their decisions. It is unlikely, that individual Licensing Authorities have the capacity or resources to undertake such research or data collection to provide such substantive evidence.

7.6.4 In the absence of robust national data, it is therefore important that the Licensing Authority works cooperatively with other local enforcement agencies (e.g. LA, police, fire), to ensure that there are appropriate systems in place to capture and record appropriate evidence. Such data will be essential to inform local gambling policy or decisions on individual gambling premises.

7.7 Problem Gambling (ludomania)

7.7.1 Most adults who gamble do so responsibly, but for a small minority, gambling can become an obsessive or compulsive behaviour which can have far reaching consequences for gamblers themselves and the people around them. Whilst there is no generally agreed definition, there would appear to be some consensus that gambling is problematic where this disrupts personal, family, financial or employment relations of

those involved'.²

7.7.2 In the UK, the prevalence of problem gambling is estimated to be between 0.5% and 0.6% of the adult population.² On current population estimates this would suggest that there are between 300,000 and 360,000 problem gamblers in the UK. Although the prevalence of problem gambling in the UK has not varied, findings from the next UK gambling prevalence survey (2011) should provide an indication as to whether the liberalisation of gambling laws in the UK (as set out in the Gambling Act, 2005) has impacted on the rate of problem gambling.

7.7.3 Internationally, the level of problem gambling would appear to be associated with the availability and convenience of gambling premises, those countries that have more liberal gambling laws (such as the USA, Australia and South Africa) have higher rates of problem gambling (2.0% and above).⁹

7.7.4 In the UK, the demographic distribution of problem gamblers is not even; the most recent Gambling Prevalence Study (2007) indicated that problem gamblers were more likely to be male, single, in poor health and with a parent with a gambling problem.² Problem gambling was also significantly associated with being black or Asian, separated or divorced, having fewer educational qualifications and being under 35.

7.7.5 Disadvantaged groups, such as the unemployed, those on welfare benefits or those in poverty are most likely to suffer the adverse effects of problem gambling. Indeed, there is evidence to suggest that there is a strong association between problem gambling and disadvantaged groups; those on the lowest incomes are three times more likely to be problem gamblers than other income groups.¹⁰ Problem gambling is also associated with other addictive behaviours such as drug misuse, alcohol abuse and smoking, which can obviously compound social deprivation and disadvantage.

7.7.6 Different gambling activities are more closely associated with problem gambling than others; research evidence shows that Electronic Gaming Machines which allow gamblers to engage in highly repetitive gambling actions, are most closely associated with problem gambling.¹¹ The highest prevalence of problem betting would appear to occur in relatively new forms of betting activities: the top four problem gambling activities are listed below:¹²

Spread Betting	14.7%
Fixed Odds Betting Terminals	11.2%
Betting exchanges	9.8%
Online	7.4%

7.7.7 Although there is no data to indicate the level of problem gambling in Haringey, there is evidence to suggest that the problem gambling may be more prevalent in inner city areas given the accessibility of gambling establishments and the social demography of residents. The fact that almost 1 in 8 callers to a national gambling helpline were from London would appear to support this assertion.¹³

7.7.8 Problem gambling can precipitate a wide range of physical, social and economic

problems for the gambler and for the people around them. Problem gamblers can incur high levels of personal debt, experience relationship breakdown and also suffer from higher levels of mental and physical ill-health. Of those seeking help from a gambling charity in 2007; the average debt was £17,581 though 10% had debts in excess of £50,000, 21% had symptoms of physical ill health and 6% had severe mental health problems.¹⁴

7.7.9 In the UK there are a number of national and local agencies that provide a range of support services for problem gamblers including Gamcare (national helpline and counselling service), Gamblers Anonymous (peer group support) and Gordon House (residential treatment centre). More recently, the first NHS clinic to support problem gamblers was opened in London; this service provides a range of psychological therapies alongside debt advice.¹⁵

7.8 Gambling establishments in Haringey

7.8.1 Local data indicates that there are 81 licensed gambling premises (betting shops and adult gaming centres¹⁶) in Haringey. The overwhelming majority (n=70) of these are betting shops. Approximately 3 out of 5 of these betting shops are operated by two major gambling operators.

7.8.2 There is some evidence to suggest that there has been an increase in the number of betting shops since the Gambling Act (2005) has become effective; since the act came in to force there have been 10 new applications for a premises license from betting shops. It should also be noted that during this same time frame, 4 premises licenses for betting shops were surrendered; perhaps indicating that some market adjustment is taking place.

The distribution of gambling establishments across Haringey.

7.8.3 A series of maps based on the geo-coded locations of 81 Adult Gaming Centres and Betting Shops in Haringey have been produced.¹⁷ Appendix A demonstrates the clusters or hotspot locations for Adult Gaming Centres and Betting Shops across Haringey where the number of sites exceeds 9 per ward. There are two principle gambling hotspots: Shopping City on Wood Green High Road and on Green Lanes at the junction with St. Ann's Road (Appendix A). There are two other smaller hotspots: White Hart Lane and Bruce Grove Railway stations. Two further clusters of gambling sites are seen on Crouch End and Muswell Hill Broadways in the west of the borough (Appendix A).

7.8.4 Analysis of the location of adult gaming centres and betting shops by local deprivation has been undertaken (Appendix B). This demonstrates that 10 of the 81 adult gaming centres and betting shops are located in or near two of the most deprived areas in Haringey (Northumberland Park and Bruce Grove) which are among 3% of the most deprived areas in England. (Appendix B).

7.8.5 More detailed analysis of the resident population in those areas with a high concentration of betting shops / adult gaming centres is provided in Appendices 3 and 4. Appendix 3 shows all eighty-one adult gaming centres and betting shops in the borough aggregated by Super Output Areas (SOA). The dark shaded areas represent the five SOAs with

between 3-5 adult gaming centres and betting shops. Appendix 4 provides a summary of the resident populations of these five areas: 43% of the population across these SOAs can be characterised as 'people living in social housing in deprived areas with uncertain employment'.

Gambling in other licensed premise – 'exempt gaming'

7.8.6 Provisions within the Gambling Act (2005) allow certain licensed premises to provide 'equal chance gaming' (e.g. poker and other card games) without a gambling license or permit; this is known as 'exempt gaming'. This liberalisation of the gambling laws legally permits alcohol licensed premises (pubs, clubs and cafes) to provide limited onsite gambling activities. There are however a number of provisions within the legislation which aim to ensure that such activities remain small scale in such premises, these being:

- Gambling is to remain ancillary to the main purpose of the premises
- Venues cannot charge for admission
- Gaming should be low stakes with a £5 limit per person per game
- All gaming must be supervised by a nominated person

7.8.7 Given the large number of social clubs/cafés in Haringey which have an alcohol and bar license there is some concern that the liberalisation of the gambling laws may precipitate a rise in lower level gambling across the borough. In addition, given the dispersed and varied nature of the venues in which 'exempt gaming' may now take place, there are also concerns as to how such premises will be policed and gambling requirements enforced. This matter is being investigated further by the department.

Commissioning local research

7.8.8 Haringey Council has undertaken preliminary work to commission research to assess the impact of the Gambling Act (2005) in Haringey, particularly in relation to crime and the impact on young and vulnerable people. Whilst it is likely that this data will not represent sufficient evidence to support prospective case by case appeals the research may be useful to inform future licensing and planning decisions.

7.8.9 Any final decisions on the commissioning of local research will note and consider the scope of investigation in to betting offices announced by Department of Culture and Media and Sport.¹⁸

7.9 Conclusions

7.9.1 It would appear that there has been a significant growth in the number of betting shops throughout the UK. It would appear that the growth in new applications for betting shops seen in Haringey is being repeated across the country. It is unclear whether this expansion in the number of betting shops in the community is as a result of the Gambling Act (2005) itself, or the need for operators to increase outlets for highly profitable Fixed Odds Betting Terminals.

7.9.2 It would appear that the Licensing Authority has limited discretion in considering premises licenses from gambling operators or indeed setting conditions to those that are approved.

There is also no 'demand' test in the new legislation, which means Licensing Authorities cannot limit the number of bookmakers in a particular area. Critically, the Gambling Act (2005) specifies that the Licensing Authority must *aim to permit* premises licenses as long as they conform to three key gambling objectives (fair, crime free and protects vulnerable adults and children).

7.9.3 Whilst the Gambling Act (2005) seeks to encourage greater local participation in gambling license decisions, in effect, actual opportunities for local people and their representatives to influence these decisions are minimal. The parameters of allowed representations is restricted to the key gambling objectives (crime free, fair and open and protection of children and vulnerable adults) and the likelihood of local representatives providing sufficient weight of evidence to suggest that these objectives are compromised is low. How can local representatives demonstrate that one additional betting shop (or other gambling establishment) will cause crime or disorder, will affect fair play or impact on children or vulnerable adults?

7.9.4 National studies have concluded that there is very little evidence to indicate what impact legalised gambling has within society; there are too few studies, completed studies are not robust and there is little longitudinal data to assess impact over time. This would seem to compound Licensing Authorities inability to reject or vary applications for premises licenses; if there is not sufficient evidence nationally, it is unlikely that a single Licensing Authority will have the resources to conduct such research.

7.9.5 As there is little local evidence to assess what impact the Gambling Act (2005) has had within Haringey, it is apparent that the Licensing Authority will need to develop local intelligence, data and monitoring information to guide and inform licensing decisions taken by the authority and to support any appeals that may be taken. To this end, it is clear that there needs to be ongoing liaison between the Licensing Authority and other relevant enforcement agencies to develop appropriate systems to collect such necessary data.

7.9.6 Prior to the introduction of the Gambling Act in 2007, it would appear that the level of problem gambling has continued to remain at relatively low levels in the UK (approximately 0.5% of adult population). Whether the prevalence of problem gambling will continue to remain at such a low level with the liberalisation of the gambling laws (i.e. relaxation of advertising rules), the advent of FOBTs and of course the increase in the number of betting shops in the community is debateable. Both national and local agencies need to be alert to these impending changes and liaise with support agencies (e.g. Gamcare, GamAnon) to ensure that problem gamblers are provided with timely and appropriate support.

7.9.7 The limited powers in which Licensing Authorities have to manage the distribution of betting shops in their community has come to the attention of the Local Government Association and indeed, the Department of Communities and Local Government. The latter's recent publication of Fair Rules for Strong Communities (December 2008) contains a formal acknowledgment of the problem, with a commitment to examine the issue further and bring appropriate action as necessary.

8. Chief Financial Officer Comments

- 8.1 The report is recommending that a full scrutiny review of the licensing of gambling establishments is not undertaken at the current time but the Service reports back by September 2009 on the results of research to be commissioned on the local impact of the Gambling Act in Haringey.
- 8.2 The costs of commissioning the research will be met from the currently approved Enforcement budget. Any financial implications arising from the conclusions of the research project will be considered when the Service reports back to Committee by September 2009.

9. Head of Legal Services Comments

- 9.1 The Head of Legal Services agrees with the recommendations and comments that not only is the legislation very new, but the Government Department responsible for the legislation is investigating the problem and the Council should be assisting that process at this juncture rather than attempting a full separate scrutiny exercise.
- 9.2 Paragraph 9 of Chapter 7 of A Fair Say in Fair Rules published on the eve of the Queen's Speech for the current Parliamentary Session states: *"There has also been public concern about the clustering of betting shops in certain areas-with all the risks this can pose for vulnerable people. The Department of Culture, Media and Sport will be looking into the scope and extent of this problem, and will investigate how we can ensure that the licensing framework and planning system gives local communities and their authorities sufficient power to address this issue"*
In the light of this Government statement, the Head of Legal Services does not consider that it is appropriate for this authority to be embarking on an attempted separate Scrutiny exercise.

10. Head of Procurement Comments N/A

11. Consultation

- 11.1 Representatives from Licensing and Planning services were consulted in the development of this report and have approved its conclusions and recommendations.

12. Service Financial Comments

- 12.1 The recommendations of this report will not give rise to any significant financial implications. Any residual costs arising will be contained within the Enforcement Service budget.

13. Use of appendices /Tables and photographs

13.1 Appendix A – Betting Shop and Adult Gaming hotspots across Haringey.

13.2 Appendix B – Location of Betting Shops and Adult Gaming Centres by indices of deprivation.

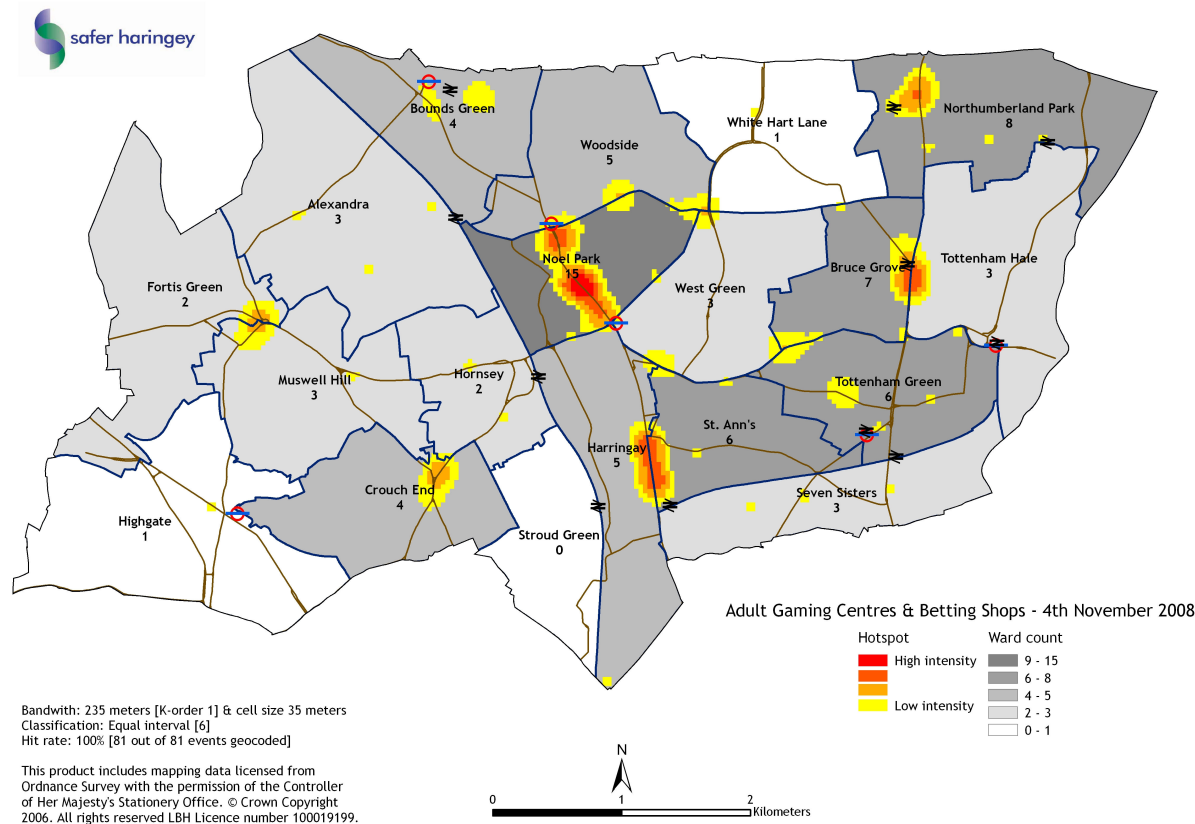
13.3 Appendix C – Location of Adult Gaming Machines and Betting Shops by Super Output Areas

13.4 Appendix D – Population profile of Super Output Areas with more than 3 Ault Gaming Machines or Betting Shops.

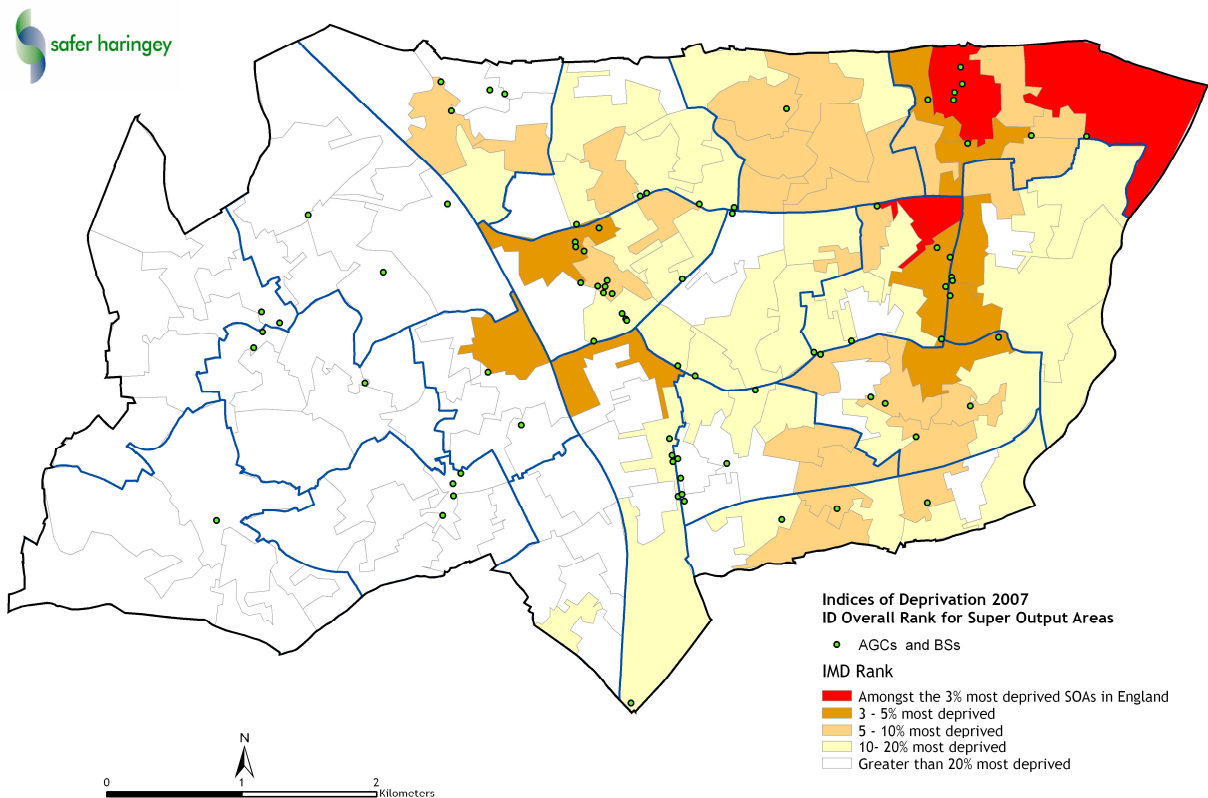
14. Local Government (Access to Information) Act 1985

- Gambling Act (2005)
- Statement of Gambling Policy (Haringey Council, 2007)
- Fair Rules for Strong Communities, Department of Communities & Local Government 2008

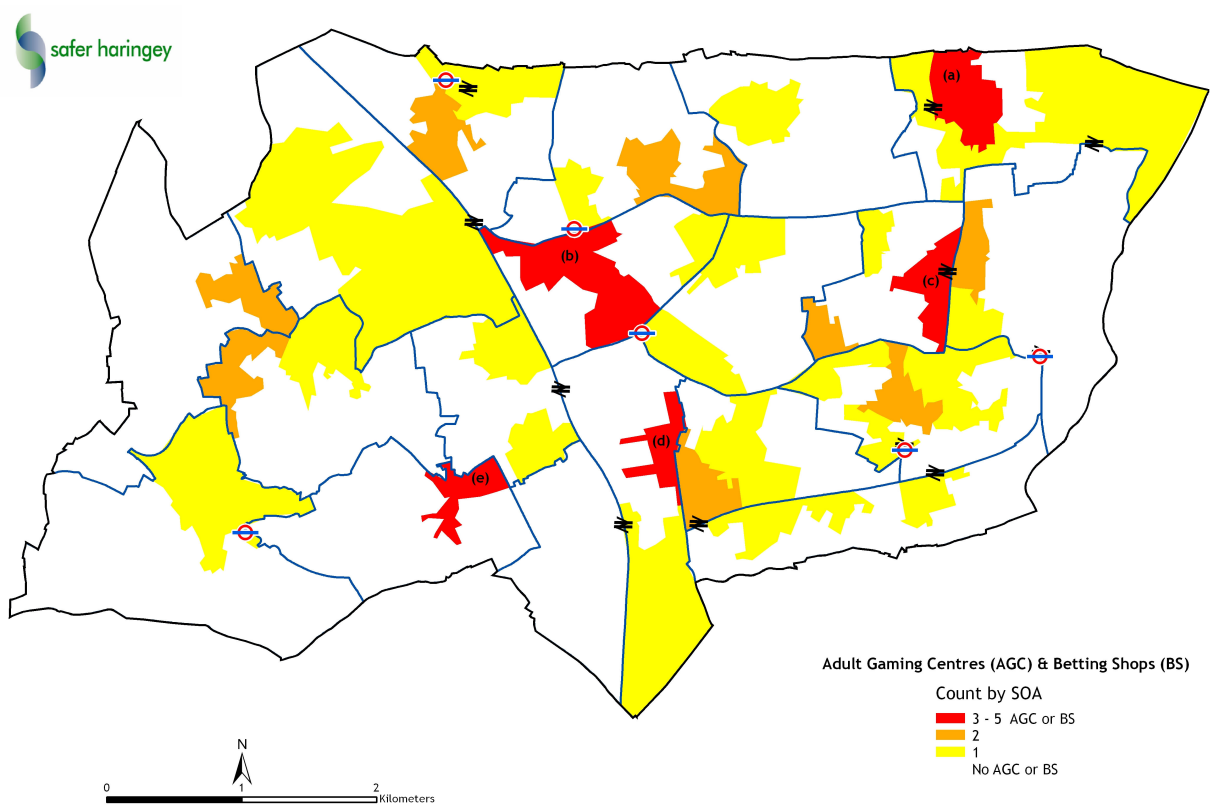
Appendix A – Betting Shop and Adult Gaming hotspots across Haringey.



Appendix B – Location of Betting Shops and Adult Gaming Centres by indices of deprivation.



Appendix C – Location of Adult Gaming Machines and Betting Shops by Super Output Areas



Appendix D – Population profile of Super Output Areas with more than 3 Adult Gaming Machines or Betting Shops.

The table below examines the profile of the communities that live within the SOAs seen in Appendix 3. i.e. SOAs [a], [b], [c],[d] and [e] according to their MOSAIC classification.¹⁹

Group description	Type description	Northumberland Park [a]	Wood Green [b]	Bruce Grove [c]	Harringay [d]	Stroud Green [e]	Total
People living in social housing with uncertain employment in deprived areas	High density social housing, mostly in inner London, with high levels of diversity	359	726	281	2		1,368
	Singles, childless couples and older people living in high rise social housing	222	63				285
	Young families living in upper floors of social housing, mostly in Scotland	33	137	22	1		193
	Older people living in crowded apartments in high density social housing	40	48				88
	Young people renting hard to let social housing often in disadvantaged inner city locations	3	21	9	1		34
	Older tenements of small private flats often occupied by highly disadvantaged individuals	1	6				7
	Total	658	1,001	312	4		1,975
Educated, young, single people living in areas of transient populations	Neighbourhoods with transient singles living in multiply occupied large old houses	12	180	85	98	143	518
	Economically successful singles, many living in small inner London flats		23		8	354	385
	Young professionals and their families who have 'gentrified' older terraces in inner London		3		181	48	232
	Well educated singles and childless couples colonising inner areas of provincial cities		18	1	102		121
	Total	12	244	86	390	545	1,277
Close-knit, inner city and manufacturing town communities	Inner city terraces attracting second generation Londoners from diverse communities	111	474	324	142	17	1,068
	Low income families living in cramped Victorian terraced housing in inner city locations		4	7	1	1	13
	Communities of lowly paid factory workers, many of them of South Asian descent		2				2
	Centres of small market towns and resorts containing many hostels and refuges				1		1
	Total	111	480	331	144	18	1,084
Career professionals living in sought after locations	Financially successful people living in smart flats in cosmopolitan inner city locations		3	1	2	67	73
	Highly educated senior professionals, many working in the media, politics and law		1		1	5	7
	Senior professionals and managers living in the suburbs of major regional centres		4		1		5
	Total		8	1	4	72	85
Older families living in suburbia	Suburbs sought after by the more successful members of the Asian community		45		7		52
	Singles and childless couples increasingly taking over attractive older suburbs		2		28		30
	Total		47		35		82
Low income families living in estate based social housing	Families, many single parent, in deprived social housing on the edge of regional centres	18	6	2			26
	Older people, many in poor health from work in heavy industry, in low rise social housing	1	10				11
	Older people living in very large social housing estates on the outskirts of provincial cities	1	5				6
	Total	20	21	2			43
Upwardly mobile families living in homes bought from social landlords	Residents in 1930s and 1950s London council estates, now mostly owner occupiers	2	3	10			15
	Total	2	3	10			15
Older people living in social housing with high	Older people living in small council and housing association flats	12					12
	Low income older couples renting low rise social housing in industrial regions		1				1
	Total	12	1				13
Independent older people with relatively	Better off older people, singles and childless couples in developments of private flats				8		8
	Very elderly people, many financially secure, living in privately owned retirement flats				4		4
	Total				12		12
Younger families living in newer homes	Families and singles living in developments built since 2001		7				7
	Total		7				7
Grand Total		815	1,812	742	589	635	4,593

¹⁹ Mosaic UK is Experian's Mosaic classification that covers the whole of the United Kingdom. It classifies all consumers in the United Kingdom into 61 types aggregated into 11 groups. The result is a classification that paints a rich picture of UK consumers in terms of their socio-demographics, lifestyles, culture and behaviour to providing an accurate and comprehensive view of UK consumers.