

Report for: Cabinet Member Signing - 2 July 2024

Item number: 6

Title: Consultation on draft Statement of Gambling Policy

Report authorised by : Barry Francis, Director of Environment and Residents Experience

Lead Officer: Daliah Barrett, 0208489 8232,
daliah.barrett@haringey.gov.uk

Ward(s) affected: All

**Report for Key/
Non Key Decision:** Key decision

1 Describe the issue under consideration

- 1.1 It is a requirement to regularly review the Council's Statement of Gambling Policy. The current policy was adopted in January 2021 and is therefore due for review this year, to be published in January 2025. The Gambling Commission has advised Local Authorities to extend their existing policies so as to have a lawful policy in place come January 2025. There are changes expected from Central Government and the Gambling Commission. During December 2020 the Department for Digital, Culture, Media & Sport (DCMS) launched a major and wide-ranging review of gambling laws to ensure that they are fit for the digital age. There was a 'Call for evidence' and a new Gambling Bill was expected to be presented to Parliament. The Department for Culture, Media & Sport has published a white paper on gambling reform in April 2023 but there has yet to be any changes to the legislation which will not be in place, so a further review may be required in late 2025 to take account of these changes.
- 1.2 This report seeks authorisation to take the attached draft policy to public consultation.
- 1.3 There are changes to the proposed policy at this time. The draft revised policy contains more information about the socio-economic make up of the borough and the impacts of gambling harm in the communities. The Local Area Profile Supplementary document highlights the impact high street gambling premises has on the most vulnerable and 'at risk' areas of the borough. The Council considers that it is necessary to manage the impact that facilities for gambling have in areas where its most vulnerable residents may be placed at increasing risk from gambling harm.

1.4 All areas shown within the local area profile as being at high overall risk of Gambling related harm, are generally considered inappropriate for further gambling establishments, which could potentially raise the risk of gambling related harm to vulnerable people living in those areas. Operators are therefore asked to consider very carefully whether seeking to locate new premises or relocating existing premises within these areas would be consistent with the licensing objectives and the local risks identified. However, the Gambling Act 2005 still requires the Council to 'aim to permit' applications.

2. Cabinet Member Introduction

2.1 The Council has a duty to consult on the proposed policy and officers are seeking approval to conduct the consultation. Following consultation a further report will be presented to the Cabinet in October 2024 to consider the results of the consultation and, in light of the consultation, to recommend approval of the Statement of Gambling Policy for Full Council in December 2024.

2.2 Gambling has the potential to cause harm to both individuals and wider society, resulting in unemployment, debt, crime, relationship problems and physical or mental health conditions. This presents a challenge as it involves a range of services such as licensing, community safety, children and families and housing/homelessness and therefore cannot be tackled by interventions aimed solely at individuals.

2.3 Problem gambling disproportionately affects certain groups, including ethnic minorities, young people, those in the criminal justice system and homeless people. Research estimates that the social cost of gambling to the UK economy could be up to £1.2 billion.

2.4 Whilst Local Area Profiles have been in use for some years, it is clear that they do not give Councils sufficient power to declare areas of saturation of betting premises. To this end Haringey has presented a response on the government's review of the Gambling Act 2005 – 'Call for Evidence', in which we are asked for a stronger commitment to empower Councils to listen to the concerns of the local community by removing the 'aim to permit' requirement. We also asked for a 'Cumulative Impact' consideration to be inserted in the Act. The Government has stated that it will change the Act to allow for this but as yet no timeframe has been provided for this.

3. Recommendations

3.1 That the Cabinet

- a) Approves the 6-week consultation on the draft Gambling Policy 2025-2028 (Appendix 1) and the local area profile (Appendix 2).
- b) Notes that following consultation a further report will be presented for decision to recommend approval to Full Council for final adoption.

4. Reasons for decision

- 4.1 To comply with the requirements of the Gambling Act 2005 the Council must prepare and consult on a statement of gambling policy for the period 2025-2028.
- 4.2 The Council will be renewing its resolution, first made in 2007, to not issue any casino licences in the next three years.
- 4.3 To obtain the views of interested parties on the proposed statement of gambling policy and use these views to formulate any changes to the policy.

5. Alternative options considered

- 5.1 No alternatives were considered. It is a statutory requirement that the policy be reviewed at least every three years, and that a public consultation is carried out. If the Council did not have a policy, it would be acting ultra vires with regards to any decisions it makes when determining gambling premises licences.
- 5.2 The Gambling Commission has laid down requirements which the Council must follow with regards to the Gambling Policy. If they are not followed the Council could face risk of judicial challenge. The Gambling Commission guidance has been followed in drafting this policy.

6. Background information

- 6.1 The Council is the Licensing Authority for the purposes of the Gambling Act 2005 and is required to prepare a Statement of Gambling Policy that it proposes to apply in exercising its function under the Act.
- 6.2 The policy sets out the general approach the Council will take when carrying out its regulatory role under the Act and promoting the three licensing objectives:
- 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, and
 - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 6.3 The aim of Statement of Gambling Policy is:
- To set expectations on how gambling will be regulated in the local area.
 - To set out how the Authority intends to support responsible operators and take effective actions against irresponsible operators by granting, refusing and attaching conditions to premises licences.
 - To support licensing decisions that may be challenged in a court of law.
 - To provide guidance to elected members on the licensing Committee, the powers available to the local authority as the licensing authority
- 6.4 When preparing a Statement of Gambling Policy, Licensing Authorities are

required to adhere to regulations and have regard to the Gambling Commission's Guidance. Any Licensing Authority departing from the guidance should have strong and defensible reasons for doing so as to avoid the potential risks and costs that would arise from any Judicial Review.

6.5 However, Licensing Authorities cannot consider matters relating to:

- moral objections to gambling. Gambling is a lawful activity and objections cannot be considered on these grounds alone;
- planning status of premises. A gambling licence application must be considered independently of any requirement for planning consent; and
- demand. The fact that there may already be sufficient gambling premises within an area to meet existing demand cannot of itself be considered when considering a new licence application.

6.6 Local Licensing Authorities have had ongoing concerns that, due to the "aim to permit" direction, insufficient consideration has been given to local context and circumstance within licensing decisions. This had, led to: -

- concerns within local Licensing Authorities over lack of discretion;
- an increase in betting shops in high street locations in the most deprived areas, there has been a slight decline since the changes to the stakes permitted on fixed odds betting terminals FOBTs;
- concerns that vulnerable people could be targeted or and exploited; and
- concerns that children could be exposed to gambling and becoming normalised to gambling.

6.7 The Act was designed to be 'light touch' legislation covering a wide range of licensable activities such as betting premises, track betting and adult gaming centres as well as casinos. The issues of betting shop clustering and concern over fixed odd betting terminals (FOBT) have shown that gambling generates extremely strong feelings. Whilst licensing authorities do not have the powers to refuse new applications or limit FOBT machines, the requirement for operators to prepare local risk assessments in relation to their premises since April 2016.

This means that licensing authorities should reflect matters from the Local Area profile within their statements of Gambling Policy.

6.8 The Gambling Commission made some key changes to the standard Licence Conditions and Codes of Practice (LCCP) which all licensed Operators must comply with under their Operators' Licence. The Social Responsibility Code, which forms part of the LCCP, requires prospective and current operators to have regard within their business operations to risk-assessments, including any set out in the Local Authority Statement of Gambling policy. This has provided an opportunity for local issues to be considered within licence application determinations.

6.9 The Local Area Profile, acts as a guide which gambling operators can use when undertaking and preparing their local premises risk assessments. The benefits are:

- it enables licensing authorities to better serve their local community, by reflecting the community and the risks within it

- greater clarity for operators as to the relevant factors in licensing authority decision making, will lead to improved premises licence applications, with the operator already incorporating controls and measures to mitigate risk in their application
- it enables licensing authorities to make robust but fair decisions, based on a clear, published set of factors and risks, which are therefore less susceptible to challenge
- it encourages a proactive approach to risk by the operator that is likely to result in increased compliance and reduced enforcement action.

6.10 The Local Area Profile looks at the objective of the protection of children and other vulnerable persons from being harmed or exploited by gambling. Within the Haringey Gambling Policy, we state that the East of the borough carries higher deprivation and social economic imbalances and therefore should have special consideration given to it in relation to the proximity of gambling premises to

- an educational establishment, including colleges and universities, youth clubs, recreational establishments;
- close to a centre dealing with vulnerable people, including housing, clinics, recovery centre, food banks;
- situated in an area of high crime;
- situated in an area of deprivation;
- close to the location of services for children such as libraries and leisure centres;
- Places of worship, community facilities or public buildings
- Areas where there is considered to be an over concentration of similar existing licensed operations.
- close to the location of businesses providing instant access to cash such as payday loans, pawn shops.

6.11 The Act specifies that Local Authorities should ‘aim to permit’ gambling, provided it is in accordance with the code of practice and guidance issued by the Gambling Commission (GC), reasonably consistent with the licensing objectives and in accordance with the Statement of Gambling Policy. The effect of this duty is that Licensing Authorities must approach their functions in a way that seeks to regulate gambling by using powers to promote the licensing objectives rather than attempting to restrict them from the outset.

7. DCMS REVIEW - Call for Evidence 2020

7.1 The Government undertook a consultation exercise in 2020 with the following aims:

- Examine whether changes are needed to the system of gambling regulation in Great Britain to reflect changes to the gambling landscape since 2005, particularly due to technological advances
- Ensure there is an appropriate balance between consumers freedoms and choice on the one hand, and prevention of harm to vulnerable groups and wider communities on the other

- Make sure customers are suitably protected whenever and wherever they are gambling, and that there is an equitable approach to the regulation of the online and the land based industries.

7.2 The outcome of this review is set out in The White Paper, led by Ministers at the Department for Digital, Culture, Media & Sport sets out the plans for reform.

7.3 The outcomes from The White paper are slowly coming into effect, the main changes that will require Authorities to reconsider policy are due later in 2025 and beyond. The White Paper changes expected to 'Land based' gambling are as follows:

7.4 The white paper recognises that the focus on the land-based sector should not be on the characteristics of land-based products and quality of monitoring, and sets out a number of areas that are intended to relax the regulation of land based gambling.

7.5 Any unused 2005 Act casino licences where there is no prospect of redevelopment will be reallocated to other local authorities, and the white paper proposes increasing machine allowances in casinos by:

- Allowing 1968 Gaming Act ("**1968 Act**") casinos which meet the requirements of a 2005 Act Small casino to be eligible for the same gaming machine allowances;
- Equalising the machine to table ratio at 5:1 for Large and Small 2005 Act and larger 1968 Act casinos; and
- Allowing smaller 1968 Act casinos to benefit from extra machines on a pro rata basis commensurate with their size and non-gambling space.

Other measures which will benefit land-based casinos and other gaming venues include:

- Casinos of all sizes will be allowed to offer sports betting in addition to other gambling activities.
- Casinos catering to high-end customers will be able to offer credit to international visitors who have undergone stringent checks.
- Consultation options for cashless payments on gaming machines will be developed.
- The Gambling Commission will undertake a review of gaming machine technical standards, including the role of session limits across Category B and C machines.
- To improve customer choice and flexibility, the 80/20 ratio that restricts the balance of Category B and C/D machines in bingo and arcade venues will be adjusted to 50/50.
- Licensed bingo premises may be permitted to offer side bets following further review.

- The white paper supports proposals for new machine games to be tested, and trials of linked gaming machines may be allowed in venues other than casinos, subject to further work to assess the conditions and how to limit gambling harm.
- Cumulative impact assessments will be introduced to align the regimes for alcohol and gambling licensing, and the maximum fees that licensing authorities can charge for premises licenses and permits may be increased.

7.6 It's clear from the scope of the proposals that change is coming, but almost all of the proposed changes are subject to further consultation, so it is unclear when the changes will come.

8. Changes to the Haringey Policy.

8.1 The direction or intent of the policy, which sets out how the Council seeks to regulate gambling activities under its control and provide a framework for consistent decision-making remains largely the same .

8.2 Officers have taken the opportunity to revise the policy statement to reflect the latest guidance issued to licensing authorities by the Gambling Commission. In particular:

- a) It is recognised nationally that there is a greater need to focus on understanding and mitigating gambling related harm more broadly, rather than focussing on problem gambling alone. In this respect, the revised policy statement emphasises the Council's focus on protecting children and young people, particularly in relation to child exploitation, and also young people and adults with care and support needs.
- b) The Gambling Commission has emphasised the need to incorporate the work of Public Health colleagues to further support the greater need to identify areas of concern and focus on gambling related harm. The Overview and Scrutiny Committee looked at the possibility of commissioning research into gambling harm following the last revision of the Gambling Policy in 2021. The work was taken forward by Public Health who have held Gambling Harm Summits and engaged with residents groups across the borough to enable a better picture of gambling harms to be understood so as to provide outreach services. An initial informal consultation has been undertaken with Public Health Team and there is commitment from Public Health colleagues to provide their findings during the formal consultation period.
- c) Nationally, gambling policy and the regulatory environment overall has an increasing focus on risk. Whilst not compulsory, it is recommended that the Council creates a 'local area profile', this is included as part of the policy statement, to inform its understanding of risk and to allow appropriate decisions to be made and steps taken to mitigate these risks. Since April 2016, gambling establishment operators have been required to undertake 'local area risk assessments' before submitting a premises

licence application or variation and will be expected to give due consideration to the information available in the Council's 'local area profile'. The Council's 'local area profile' will naturally develop over time and will be influenced by information and intelligence from key partners and other stakeholders.

8.4 The Gambling Act singles out children, young persons and adults with care and support needs for special regulatory attention and the proposed policy statement does focus on protecting these particular groups. However, in relation to gambling activities, the question as to who is vulnerable, why and under what circumstances, has been subject to further research and investigation. We have sought to capture some of that research at the start of the Policy. Together with other emerging information, trends and risks, the Council will have to consider the implications for both its 'local area profile' and policy statement accordingly.

9. Consultation

9.1 The policy will be subject to consultation with stakeholders, with any comments received on the draft presented to Cabinet later in the year. Consultation required to ensure any changes to the Statement of Gambling Policy is clear and transparent for businesses, responsible authorities and the public.

9.2 The Gambling Act 2005 contains details of the consultees that must be consulted as part of the review of the policy. These are:

- The Chief Officer of Police for the authority's area;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.
- General Public
- All the Responsible Authorities

9.3 Additionally the following will be included in the consultation:

- Holders of licences issued under the Gambling Act 2005;
- Trade Associations representing the gambling industry;
- Haringey Social Services;
- Haringey Public Health Directorate;
- Residents Associations.
- The Citizen Panel

9.4 Future comments provided will be analysed, and any changes considered appropriate to the draft policy will be submitted for final approval and a further report presented to Cabinet in October 2024 for recommendation to adopt to Full Council in November 2024.

9.5 Timeline and adoption route:

Report taken to Cllr Ovat (Lead Member) to seek approval to start consultation/	01 st July 2024
Consultation started	July 2024
Report taken to Regulatory Services/Cabinet and Overview and Scrutiny for noting and making comments that will be taken to Cabinet.	Licensing Committee - 25 th July O&S - 30th July
Consultation ends	September 2024
Report to Cabinet with outcome of consultation and final version to ask for recommendation to Full Council to adopt	15 October 2024
Report to Full Council for adoption	18 November 2024
4 weeks public notice period.	31 st January 2024

10. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'

10.1 The Statement of Gambling Act policy 2025-2028 will contribute to our fundamental themes and priorities **in The Corporate Delivery Plan 2023-24** which sets out a two-year vision to make Haringey one of London's greatest boroughs where families can thrive and succeed. The plan is organised around the following themes:

- a. Resident experience, participation and collaboration
- b. Responding to the climate emergency
- c. Children and young people
- d. Adults, health and welfare
- e. Homes for the future
- f. Safer borough
- g. Culturally Rich Borough
- h. Place and economy

10.2 Theme-2 Young People – *'Our vision is a Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential.'* The protection of children and the vulnerable from harm within the licensing objective will contribute to this priority.

10.3 Theme 4– Adults Health & Welfare- *Our vision is for a place with strong, resilient and connected communities where people can lead active and healthy lives in an environment that is safe, clean and green. As the borough continues*

to grow, becomes better connected and continues to be a destination for many Londoners, we will need to ensure Haringey remains a safe and pleasant environment for all. We want to work with partners and the local community to achieve this and to define and shape how the borough looks and feels, both now and in the future. Residents engaging in the licensing process will contribute to this priority and allow them to have a say in how premises operate. The expectations set out in the Policy will inform applicants for licences of the kind of best practice and responsible management expected for well-run premises in the borough.

- 10.4 Health & wellbeing Strategy- Poor mental health has been shown to play a significant part in peoples gambling habits People with gambling problems often experience a range of negative effects, including health issues, relationship breakdown, and difficulties with debt. In more severe cases gambling problems can lead to crime, thoughts of suicide or suicide itself. Haringey has the sixth highest rate of domestic abuse with injury in London, money problems within the home may be a contributing factor to this. Because of this, there are increasing calls for gambling to be recognised as a public health issue, where the enjoyment of the many should be balanced against the protection of the few. The gambling industry is increasingly being called upon to do more to protect participants and prevent problem gambling from occurring, and the National Responsible Gambling Strategy emphasises the need for joint action between industry, government, healthcare providers and other public bodies to tackle gambling-related harm.
- 10.5 Community Safety Strategy - The Community Safety Strategy presents Haringey’s approach and priorities to achieving a reduction in crime and anti-social behaviors in Haringey up to 2027. The strategy is supported by a comprehensive strategic assessment that draws on data from across the partnership to identify trends, patterns, and drivers relating to crime and anti-social behaviors. The Local Area Profile within the Gambling policy will draw on data from this Strategy. Crime data in relation to betting shops and the operation of Betwatch will feed into the Strategy.
- 10.6 The above priorities and objectives are underpinned by a number of cross – cutting principles namely:
- Prevention and early intervention – preventing poor outcomes for young people and intervening early when help and support is needed.
 - A fair and equal borough – tackling the barriers facing the most disadvantaged and enabling them to reach their potential;
 - Working together with our communities – building resilient communities where people are able to help themselves and support each other.
 - Customer focus – placing our customers’ needs at the centre of what we do.
- 10.7 Licensing is about regulating the carrying on of licensable activities within the terms of the Act. The Statement of Gambling Policy should make it clear that licensing law is not the primary mechanism for the general control of nuisance

and anti-social behaviour by individuals at these locations. The operators risk assessment and management of the Licensing Codes of Practice will be a key aspect of such control and should always be part of a holistic approach to the management of the premises. It is therefore desirable that the SGP is in line with the Council's wider objectives and consistent with other policies.

11. Carbon and Climate Change

11.1 There are no negative environmental impacts arising from the adoption of a Gambling Policy and the 'no casino' resolution.

12. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

12.1 Head of Legal & Governance

12.2 The Head of Legal and Governance has been consulted in the preparation of his report and comments as follows.

12.3 In accordance with section 349 (1) of the Gambling Act 2005 the Council, as licensing authority, is required at least every 3 years to prepare and publish its Statement of Gambling Policy.

12.4 In preparing its statement the Council is required under section 349(3) of the Act to consult with the consultees listed .

12.5 Members will be aware that in carrying out its consultations, the Council must adhere to the so called 'Sedley principles'. These are:

- (1) That consultation must be at a time when proposals are still at a formative stage;
- (2) That the proposer must give sufficient reasons for any proposal to permit intelligent consideration and response;
- (3) That adequate time must be given for consideration and response; and
- (4) That the product of consultation must be conscientiously taken into account in finalising the policy.

The proposed consultation complies with the first three principles.

13 Finance

13.1 The cost of the public consultation on the draft new Statement of Gambling Policy will be met from existing budgets. There are no other financial implications.

14 Procurement

14.1 There are no procurement related issues in relation to the content of this report.

15 Equality

- 15.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 15.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 15.3 When framing its policy on the licensing of gambling premises, the Council must work within the statutory parameters of the Gambling Act, which includes a general 'aim to permit'.
- 15.4 The Council is required to review its gambling policy every three years and as part of that review it consults with the public. An Equalities screening tool has been completed and further data will be collected as part of the public consultation with a view to completing a full Equality Impact Assessment.
- 15.5 The Council will include the draft Local Area Profile in the package of documents available to the public to assist the consultation. The Local Area Profile will sit alongside the policy and will strengthen the risk assessments completed by betting operators. Any feedback from consultees, will feed into the final report taken to the Council post-consultation

16 Use of Appendices

Appendix 1 - Haringey Draft Statement of Licensing Policy for the Gambling Act 2025-2028.

Appendix 2 – Draft Local Area Profile

17 Background papers

- a. Gambling Act 2005
- b. Gambling Commission Guidance to Licensing Authority
- c. State of The Borough
- d. The Corporate Delivery Plan