

Report of the Head the Head of Elections, Licensing and Registration

Date: 6th December 2016

Subject: **Gambling Act 2005 – Licensing of the Large Casino
Schedule 9 Agreement - Annual Update**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): City & Holbeck		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Appendix A is exempt from publication under the provisions of Access to Information Procedure Rule 10.4(3)		

Summary of main issues

1. In May 2013 the council granted a provisional statement to Global Gaming Ventures Limited (GGV Ltd) to operate a large casino at Eastgate, Leeds 1, now known as Victoria Gate. In March 2015 the provisional statement was superseded by the grant of the full premises licence, and in February 2016 the premises licence was transferred to Global Gaming Ventures (Leeds) Limited.
2. The casino licence is subject to a Schedule 9 agreement which is a legal agreement made between the council and the licence holder and ensures that the benefits evaluated as part on the large casino application process are secured.
3. The Schedule requires the licence holder to provide reports on its progress in delivering the benefits.

Recommendations

4. That Licensing Committee note the contents of the appendices to this report, in addition to the presentations by Global Gaming Ventures (Leeds) Limited and the councils Financial Inclusion Team.

1.0 Purpose of this report

- 1.1 This purpose of this report is to update Members of the Licensing Committee on the delivery of the benefits of the Schedule 9 Agreement as a condition of the casino premises licence.
- 1.2 The large casino is not as yet operational, however Global Gambling Ventures (Leeds) Ltd, will present to Members an update on the progress of the fit-out and preparatory work underway.

2.0 Background information

- 2.1 The Gambling Act 2005 allowed 16 casinos across England, Scotland and Wales – 8 large and 8 small casinos. A large casino allows for up to 150 gaming machines and a small casino 80 gaming machines.
- 2.2 Following the approval of Executive Board in March 2006, the Director of Development submitted a bid to HM Government's Casino Advisory Panel for a large casino in Leeds.
- 2.3 Leeds City Council was successful in their bid for a large casino, together with Great Yarmouth, Middlesbrough, Kingston Upon Hull, Milton Keynes, Newham, Solihull and Southampton.
- 2.4 In May 2013 the Licensing Committee granted a provisional statement for a large casino licence to GGV Ltd., for the site at Eastgate, Leeds 1, now known as Victoria Gate.
- 2.5 The provisional statement was granted following a competition exercise and utilising approved evaluation methodology and scoring criteria, which sought to maximise the financial, social and economic benefits for the city.
- 2.6 GGV Ltd went on to secure the full casino premises licence in March 2015, and in February 2016 the casino premises licence was transferred to Global Gaming Ventures (Leeds) Ltd., a subsidiary company of GGV Ltd.

3.0 Main Issues

- 3.1 On being granted the licence, GGV Ltd committed to undertake a range of benefits, including commitments to employment, training, the mitigation of problem gambling, and commitment to environmental principles to the physical development of the casino.
- 3.2 Such benefits are secured by a Schedule 9 Agreement. The Schedule 9 Agreement is strengthened by a condition on the casino premises licence which ensures that the benefits evaluated as part of the large casino application process are secured.
- 3.3 The Schedule 9 Agreement consists of a Schedule 1 document which sets out 38 benefits that the casino will deliver.

- 3.4 For the purpose of this annual update report, GGV (Leeds) Ltd have produced the document at appendix A that provides update on the delivery of the 38 benefits. However as the casino is not yet operational a number of benefits will have not yet been achieved.
- 3.5 Representatives from GGV (Leeds) Ltd will be in attendance at the Licensing Committee to present the contents of appendix A and furthermore to provide Members with progress on the fit-out and preparatory work underway.
- 3.6 Included within the Schedule 9 Agreement was commitment to contribute to a Social Inclusion Fund (benefits 2&3) with initial funding being received in 2013 and subsequent payments expected once the casino is opened. Following on from an update given to Licensing Committee in October 2015, the following projects have had funding committed to them over the last year;
- A six month extension of a ready to work programme specifically targeting those aged 25+ with severe barriers to work.
 - A project to introduce school savings clubs to key stage two pupils.
 - Establishing a credit union loan shop within the city centre.
 - Setting up a web based retail facility to sell furniture and white goods to low income households.

The Social Inclusion Fund is managed by the councils Financial Inclusion Team.

- 3.7 Clause 21 of the Schedule 9 Agreement requires GGV (Leeds) Ltd to pay to the council monitoring fees in respect of the costs incurred or to be incurred by the council in connection with monitoring activities. Such activities include:
- i. monitoring the performance of the Licensee and its compliance with the requirements of Schedule 1, such costs to include the costs of instructing external consultants to review the reports submitted by the Licensee and advise the Council thereon; and
 - ii. the operation of a robust system of monitoring, management and mitigation to ensure that the social and health risks are closely monitored to minimise any potentially harmful effects of the new casino
- 3.8 The Financial Inclusion Team is also co-ordinating this area of work and have supplied the briefing note at appendix B for Members information. A representative of the Financial Inclusion Team will be present at the Licensing Committee meeting to provide Members with any additional information as required.
- 3.9 It should be noted that the contents of appendix A and the presentations to be provided before the Licensing Committee by GGV (Leeds) Ltd and the councils Financial Inclusion Team are potentially exempt information under Access to Information Procedure Rule 10.4(3) as these include information relating to the financial or business affairs of any particular person and in all circumstances of the case, the public interest in maintain the exemption outweighs the public interest in disclosing the information.

- 3.10 Members are advised that there have been two recent licence applications for the Victoria Gate Casino.
- 3.11 One application was made under the Gambling Act 2005 to amend the existing plans for the premises to identify the principal entrance to the casino which is to be located on the second floor, and also to reconfigure the gambling, non-gambling and back of house areas to correspond with the final fit out of the premises.
- 3.12 On initial application the outline plans included the ground floor area and escalators leading up to the second floor casino, which could inadvertently be accessed by persons visiting the shopping centre. The variation application is to delimit the ground floor and escalators so to help ensure that there are no technical breaches of the gambling legislation as a result of young or self-excluded persons accessing this area which would technically be within the perimeter of the casino premises, albeit no gaming activities would be provided in this area. Age verification checks will be conducted at the principal entrance on the second floor and it is confirmed that during busy periods, such as Friday and Saturday night's security will be provided at the ground floor. GGV (Leeds) Ltd did consult with the Gambling Commission before making this application.
- 3.13 The additional application was under the Licensing Act 2003 for a Premises Licence to allow the supply of alcohol, regulated entertainment and late night refreshment.
- 3.14 In both instances, the application notification periods end on the 24th November 2016.

4.0 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The large casino premises licence was awarded in accordance with the Gambling Act 2005.
- 4.1.2 The current Gambling Act Statement of Licensing Policy 2016 to 2018 was reviewed and approved by Full Council in November 2015 having firstly been presented before the Licensing Committee, Scrutiny and Executive Board.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The Gambling Act Statement of Licensing Policy is subject to an EDCI Assessment, and a screening form has been completed.

4.3 Council Priorities and Best Council Plan

- 4.3.1 The licensing regime contributes to the following Best Council Plan 2015-20 outcomes:
- Improve the quality of life for our residents, particularly for those who are vulnerable or in poverty;

- Be safe and feel safe
- Make it easier for people to do business with us.

4.3.2 The licensing regime is linked to the Best Council Plan objectives:

- Supporting communities and tackling poverty, and
- Becoming a more efficient and enterprising council
- Promoting sustainable and inclusive economic growth
- Building a child friendly city

4.4 Resources and Value for Money

4.4.1 Employment and financial benefits have been secured through the Schedule 9 agreement. These will be monitored by the casino management group.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications for this report.

4.6 Risk Management

4.6.1 There are no issues relating to risk management.

5 Conclusions

5.1 GGV (Leeds) Ltd hold the large casino premises licence to operate from Victoria Gate, Eastgate, Leeds 1.

5.2 The Schedule 9 Agreement is strengthened by a condition on the casino premises licence which ensures that the benefits evaluated as part of the large casino Stage 2 application process are secured.

6 Recommendations

6.1 That Licensing Committee note the contents of this report and associated presentations, and for GGV (Leeds) Ltd to provide on an annual basis, or lesser period as required, a report on its progress in delivering the benefits set out in the Schedule 9.

6.2 To request that GGV (Leeds) Ltd arrange for the Licensing Committee to visit the Victoria Gate Casino prior to the opening event.

7 Background documents¹

7.1 There are no unpublished background documents that relate to this matter.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix A

The contents of appendix A is potentially exempt information under Access to Information Procedure Rules 10.4(3) as this includes information relating to the financial or business affairs of any particular person.