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**Report of the Head of Licensing and Registration Services**

***Licensing Committee***

**Date: 28th June 2011**

**Subject: Large Casino Application Pack and Consultation**

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**Electoral Wards Affected:**

**Specific Implications For:**

Ethnic minorities

Women

Disabled people

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**Executive Summary**

The Gambling Act 2005 provided Leeds City Council with the opportunity to grant a Large Casino Premises Licence under a two stage process which will determine a licence on the basis of greatest benefit to the City.

Over the last year officers from Entertainment Licensing and City Development have been preparing the process and related documents.

This report presents the draft application pack to Licensing Committee for their consideration prior to a 4 week consultation with the industry. Licensing Committee are asked to consider the draft pack, approve the consultation methodology and to instruct officer to commence the non-statutory consultation with the industry.

Licensing Committee will be asked to approve the final application pack after the consultation.

## **1.0 Purpose of This Report**

- 1.1 This report is to inform the Licensing Committee of the progress of the Large Casino project and present the application pack (appendix 1) to the Licensing Committee for their consideration prior to a non-statutory consultation with the industry and interested persons. Licensing Committee will be asked to approve the consultation methodology and instruct officers to commence the consultation.

## **2.0 Background Information**

- 2.1 The Gambling Act 2005 (the Act) changed the legislation governing the licensing of casinos significantly. Under the Act seventeen new casino licences were to be granted, each of which are to be significantly larger than existing casinos. The licences are broken down as follows: one regional casino, eight large casinos, and eight small casinos. The DCMS formed a special Casino Advisory Panel (CAP) to recommend where the new casinos should be located.
- 2.2 In April 2008 Parliament approved the eight small and eight large casinos in line with the CAPs original recommendations. Leeds was awarded the right to issue a large casino licence.

## **3.0 Main Issues**

### Statement of Licensing Policy

- 3.1 The legislation requires that councils develop a statement of the principles that the licensing authority proposes to apply in making any determination at Stage 2 of the process. These principles have been developed in line with the direction received from Executive Board (3rd March 2010, minutes: <http://democracy.leeds.gov.uk/mgConvert2PDF.aspx?ID=4290&T=1>) and centre on the three main principles of financial, economic and social benefit.
- 3.2 These three principles form the basis of the Large Casino section which is due to be inserted into the Gambling Act 2005 Statement of Licensing Policy 2010-2012. This section is being consulted upon with the public, the industry, interest groups, faith groups and ward members. The consultation is due to end on 29th July 2011.
- 3.3 A copy of the consultation document can be accessed at [www.leeds.gov.uk/gpc](http://www.leeds.gov.uk/gpc) or by contacting Entertainment Licensing.

### Application Pack

- 3.4 The council is required to provide applicants with a comprehensive application pack. There are a number of requirements laid out in the Gambling (Inviting Competing Applications for Large and Small Casino Premises Licences) Regulations 2008. In addition good practice from other councils has identified a number of other documents that should form part of the pack.

- 3.5 The proposed application pack includes the following documents:
- 3.5.1 Application Pack Contents - cover page and contents list.
  - 3.5.2 General Information - this provides general information on the background of the large casino application process. It briefly describes the two stage process.
  - 3.5.3 Gambling Act 2005 Statement of Licensing Policy 2010-2012 - this is a full copy of the amended policy.
  - 3.5.4 Stage 1 Guidance - this document comprises the standard guidance provided to all gambling licence applicants, including information such as plans requirements, how to pay the fee etc and it explains the statutory process at Stage 1.
  - 3.5.5 Stage 1 Application Forms - this is the complete set of stage 1 application forms provided by statute.
  - 3.5.6 Stage 2 Guidance - this document provides the full process for stage 2, as well as details of how to seek clarification, electronic submissions, timetable etc. It also provides additional guidance for applicants not included in the evaluation methodology.
  - 3.5.7 Stage 2 Evaluation Methodology - this document describes the type of information required in the stage 2 applications, the format it should be provided in and how it will be scored. It includes the scoring matrix. This document has been prepared by external consultants in conjunction with officers from City Development, based on the Executive Board directions and the statement of licensing policy.
  - 3.5.8 Stage 2 Advisory Panel Terms of Reference - this document provides information on the scope and function of the advisory panel.
  - 3.5.9 Stage 2 Proforma Schedule 9 Agreement - this is a draft Schedule 9 agreement prepared by external legal advisors, in conjunction with Legal Services and City Development.
- 3.6 The application pack has been developed as follows:
1. An initial draft application pack was developed by Counsel for all 16 authorities who comprise the Casino Network.
  2. Officers from Entertainment Licensing, Economic Development and Asset Management customised the pack in line with the Leeds approach.
  3. External advice was sought from consultants on the Stage 2 Evaluation Methodology and the template Schedule 9 Agreement.
  4. Input was received from Economic Development officers on the stage 2 Evaluation Methodology.
  5. Input into the development of the Stage 2 Guidance and Advisory Panel Terms of Reference were provided by Procurement.
  6. Legal Services instructed Counsel to provide assurance and these comments have been taken into consideration.

### Non-statutory Industry Consultation

- 3.7 To protect the council from legal challenge later in the process, Counsel strongly advised the Casino Network that councils should undertake a non-statutory consultation on the application pack with the casino industry and any other interested persons.
- 3.8 Officers are preparing the consultation which is due to commence 4th July to 29th July 2011. This will run alongside the last four weeks of the consultation on the Large Casino Section of the Statement of Licensing Policy.
- 3.9 Advice that a consultation would take place formed part of the mailing advertising the consultation of the Statement of Licensing Policy. This mailing was sent to over 450 organisations/people with an interest in gambling.
- 3.10 The Application Pack consultation will be announced by letter to existing casino operators, and persons who have expressed an interest in being included in the mailing list. The application pack will be placed on the council's website at [www.leeds.gov.uk/gpc](http://www.leeds.gov.uk/gpc).
- 3.12 It is proposed that the non-statutory consultation will not be specifically advertised to all 450 persons on the policy consultation mailing list, although it will be accessible on the website on the same page as the policy consultation and anyone can respond.

### Project Timescales

- 3.13 The current timescales are as follows:

May to July 2011	Public Consultation
January 2012	Adoption of policy by Council
February 2012	Advertise competition
May to June 12	Stage 1 process
From July 12	Stage 2 process (after completion of any appeals at Stage 1)

- 3.14 Full training for members will be given to provide Licensing Committee with background knowledge of the casino industry as well as specialist knowledge they will need to determine the large casino licence.
- 3.15 The Licensing Committee will appoint a non-statutory advisory panel to provide them with an evaluation report on each of the Stage 2 bids received from the applicants.

#### **4.0 Implications for Council Policy and Governance**

- 4.1 The insertion in the Gambling Act 2005 Statement of Licensing Policy 2010-2012 will need to be approved under the Budgetary and Policy Framework. It is estimated that this will be in January 2012.
- 4.2 The approval of the application pack and the determination of the licence is a matter for Licensing Committee under their delegated responsibilities.

#### **5.0 Legal and Resource Implications**

- 5.1 The contents of the application pack and the grant of the licence are Part 8 functions of the Act and are expressly a matter for the council's Licensing Committee, although the principles that the committee will use to inform its decision on greatest benefit will be contained within the council's statement of licensing policy which must be approved by full Council.

#### **6.0 Conclusions**

- 6.1 Officers from Entertainment Licensing and City Development, along with advice from Economic Development, Procurement, Legal Services, external consultants and external legal advisors, have developed a first draft of the Large Casino application pack.

#### **7.0 Recommendations**

- 7.1 That Licensing Committee:
- note the contents of this report
  - consider the draft application pack
  - approve the consultation methodology
  - instruct officers to commence a 4 week non-statutory consultation with the industry.

#### **Appendices**

Appendix 1 - Large Casino Licence Draft Application Pack (17 June 2011)

Please note: appendices will be included in the document packs for Licensing Committee, however due to the size of the pack it will not be uploaded to the Internet. Interested persons seeking a copy of the pack should contact Helen Gray on 0113 247 4355.

#### **Background Papers**

Public Consultation - Large Casino Section - available from [www.leeds.gov.uk/gpc](http://www.leeds.gov.uk/gpc)

Executive Board Minutes 10/03/10 <http://democracy.leeds.gov.uk/mgConvert2PDF.aspx?ID=4290&T=1>