
Report of the Head of Licensing and Registration Services

Licensing Committee

Date: 17th January 2012

Subject: Large Casino Application Pack

Electoral Wards Affected:

Specific Implications For:

Ethnic minorities

Women

Disabled people

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 award a licence on the basis of greatest benefit to the Authority's area..

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 approval.

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 seek approval for the application pack.

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 is to be significantly larger than existing casinos. The licences were 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. The regional casino proposal did not progress.
- 2.3 Licensing Committee approved the draft application pack on the 28th June, for the external consultation process. Since this date there has been further refinement so as to ensure that the documentation achieves the main principles as set out in the Licensing Policy and Executive Board report of March 2010 and are set out in more detail at 3.16 to 3.18.
- 2.4 Following concerns expressed by some Members in June 2011, Licensing Committee further considered the role of an advisory panel on the 18th October and approved in principle the appointment of an advisory panel. This in principle approval was required to ensure that the statement of licensing policy could be completed for approval in a manner consistent with the application pack. Licensing Committee will be asked to approve the membership of the advisory panel in due course.
- 2.5 Members are now requested to consider the final version of the pack and to approve it for the commencement of the process.

3.0 Main Issues

- 3.1 The council must produce a comprehensive application pack. There are a number of legal 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.
- 3.2 The application pack includes the following documents:
- 3.3 Application Pack Contents - cover page and contents list.
- 3.4 General Information - this provides general information on the background of the large casino application process. It briefly describes the two stage process.

- 3.5 Gambling Act 2005 Statement of Licensing Policy 2010-2012 - this is a full copy of the amended policy.
- 3.6 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.
- 3.7 Stage 1 Application Forms - this is the complete set of stage 1 application forms provided by statute.
- 3.8 Stage 2 Guidance - this document provides the full process for stage 2, as well as details of how to seek clarification, submit electronic submission, how to communicate with the council, and a timetable. It also provides additional guidance for applicants not included in the evaluation methodology on each of the application stages.
- 3.9 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 advisors in conjunction with officers from City Development, based on the Executive Board directions and the statement of licensing policy.
- 3.10 Stage 2 Advisory Panel Terms of Reference - this document provides information on the scope and function of the advisory panel.
- 3.11 Stage 2 Proforma Schedule 9 Agreement - this is the draft contractual agreement under Schedule 9 of the Act prepared by external legal advisors, in conjunction with Legal Services and City Development.
- 3.12 The full application pack is available as background documents, due to the size of the pack, but has also been provided to each member of the Licensing Committee. A summary of changes made since the pack was dispatched to Committee Members is attached as Appendix 1
- 3.12 The application pack has been developed as follows:
1. The basis of 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 approach agreed at Executive Board .
 3. External advice was sought 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.
 7. 4 week non statutory consultation alongside the policy consultation.

8. Consultation responses considered and the application pack altered to include further requirements on applicants to consider mitigation of negative impact.
- 3.13 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.
- 3.14 The council undertook a non-statutory four week consultation which ran from 4th July to 29th July 2011. This ran alongside the last four weeks of the consultation on the Large Casino Section of the Statement of Licensing Policy.
- 3.15 Information that a consultation on the pack 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.
- 3.16 The consultation elicited 14 responses, but these were mainly related to the policy. A response from NHS Leeds, mainly concerned the mitigation of negative impacts the large casino operation would bring. Joelson Wilson, solicitors representing the Rank Organisation, provided a comprehensive response to the consultation. The details, including any changes made are detailed in Appendix 2 which is an extract from the overall consultation responses to both the policy and the application pack and which have been considered by Executive Board and Scrutiny.
- 3.17 In brief, both the policy and the application pack received minor amendments to require the applicants to provide mitigation strategies for negative impacts. In the application pack, the financial scoring criterion was clarified as further detail was required to explain the intended evaluation approach. Other minor tweaks were made to provide greater clarity and detail on some criteria following comments received during consultation.
- 3.18 In summary, the application pack seeks to draw out detailed information on the benefits proposed and sets out how they will be evaluated under the criteria of financial contribution, socio-economic benefits and risk and deliverability. The award of the licence will be made from the evaluation of this information. Committee Members are specifically directed to the Stage 2 Evaluation Methodology. In evaluating financial criteria, proposed payments and credibility and deliverability of the offer will be evaluated. Due to difficulties in evaluating the credibility and deliverability of financial estimates over a long period, payments proposed after 15 years will receive less weight in the evaluation than payments proposed in years 0-15.. The financial contribution will be used primarily to create a social inclusion fund which will be used to bring benefits to the area and to mitigate any negative impact from the casino.

4.0 Implications for Council Policy and Governance

- 4.1 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 advisors and external legal advisors, have developed a Large Casino application pack which is presented for approval by Licensing Committee at this meeting.

7.0 Recommendations

- 7.1 That Licensing Committee approve the application pack in preparation for the start of the Large Casino application process, which will be advertised on the 24th January 2012.

Background Papers

Large Casino Application Pack
Consultation Report - Large Casino Section