

ANGUS LICENSING BOARD – 4 OCTOBER 2012

THE LICENSING OF CASINOS

REPORT BY THE CLERK

ABSTRACT

The purpose of this report is to consider correspondence received from the National Casino Industry Forum and determine whether the Board would consider supporting, in principle, the proposals that Licensing Boards/Local Authorities should have the regulatory power to decide for whether it should be permitted to licence a casino development and/or that casino licences granted under the Gaming Act 1968 should be permitted to be portable and capable of being operated in another local authority area.

1. RECOMMENDATIONS

It is recommended that the Board:-

- (i) notes the correspondence received from the National Casino Industry Forum, attached as an [Appendix](#);
- (ii) determines whether it supports, in principle, the proposal that Licensing Boards/Local Authorities should have the regulatory power to decide for whether it should be permitted to licence a casino development; and
- (iii) determines whether it supports, in principle, the proposal that casino licences granted under the gaming Act 1968 should be permitted to be portable and capable of being operated in another local authority area.

2. BACKGROUND

- 2.1 The Gambling Act 2005 (“the Act”) created a new, UK wide, system for the control and regulation of Gambling Activities. The Act also established a new regulatory body for the regulation of Gambling in the UK known as the Gambling Commission.
- 2.2 Casinos are covered by this legislation and are described as “an arrangement whereby people are given an opportunity to participate in one or more casino games”. A Casino Game is defined as “a game of chance which is not equal chance gaming”. This means that a Casino can offer activities which involve playing or staking against a bank, and that chances are not equally favourable to all participants. The types of games which can be offered in casinos are strictly regulated by the Gambling Commission.
- 2.3 Before someone can open a casino they require three types of licence. They would require a Casino Operating Licence issued by the Gambling Commission. In addition, any person who wishes to perform the functions of a specified management office, or to perform a specified operational function, in connection with the provision of casino facilities or a person who provides casino facilities will also require to obtain a Personal Licence. Again, Personal Licences are issued by the Gambling Commission.
- 2.4 The last requirement is the requirement to obtain a Premises Licence. The Premises Licence is issued by the “licensing authority”. The Licensing Authority’s in Scotland are the Licensing Board’s established under Section 5 of the Licensing (Scotland) Act 2005. Licensing Boards are made up of Councillors elected by the Council but the Licensing Board is an entirely separate and independent legally entity. The bulk of the Angus Area Licensing Board’s business relates to the licensing of premises for the sale and consumption of alcohol.
- 2.5 The Premises Licence issued by Licensing Boards in respect of casinos relates primarily to the suitability of the Premises for use as a casino, and can be subject to conditions attached by the Board and will be subject to mandatory conditions determined by the Scottish Government. Notwithstanding the above, obtaining the necessary permissions to open a casino is severely restricted.

- 2.6 Premises which operated as casinos prior to the implementation of the Act can still operate as casinos. However, the Act specifies that, aside from the casinos which were in existence before the implementation of the Act, there can only be eight large and eight small casino licences in effect at any given time across the whole of the United Kingdom. A casino is a large casino if the combined floor area of those parts of the casino which are used for providing facilities for gambling is equal to or exceeds 1,500 square metres, but is less than 3,500 square metres. A casino is a small casino if the combined floor area of those parts of the casino which are used for providing facilities for gambling is equal to or exceeds 500 square metres, but is less than 1,500 square metres. A casino is below the minimum size for a licensed casino (and therefore cannot be operated) if the combined floor area of those parts of the casino which are used for providing facilities for gambling is less than 500 square metres.
- 2.7 Given the limited availability of casino licences, the Government consulted on where these licences should be granted. A consultation exercise was undertaken and areas were invited to bid to be awarded the right to grant a casino licence. The outcome of the consultation exercise was the Gambling (Geographical Distribution of Large and Small Casino Premises Licences) Order 2008 which identified the licensing authorities who could grant one Premises Licence at any given time. The only licensing authority in Scotland who were granted the right to grant a Premises Licence for a casino was the Wigtown Divisional Licensing Board in the area of Dumfries and Galloway Council who have the right to grant one small casino Premises Licence at any time.
- 2.8 The Angus Area Licensing Board would be responsible for the granting of Premises Licences in connection with casinos. However, any operator would have to obtain the necessary Operating and Personal Licences from the Gambling Commission in addition to this. The number of Casino Licences that can be granted across the UK has been severely restricted and, at present, no casino will be permitted in the Angus Area.
- 2.9 Angus Council have received a letter from the National Casino Industry Forum. A copy of that letter is attached as **APPENDIX 1**. The Board will note that the purpose of the letter is to invite the Council to consider whether it supports in principle, the proposals that Licensing Boards/Local Authorities should have the regulatory power to decide for whether it should be permitted to licence a casino development and/or casino licences granted under the gaming Act 1968 should be permitted to be portable and capable of being operated in another local authority area. Given the current role played by the Board in respect of the Act, it was considered appropriate to invite the Board to express a view on these issues. The Board is asked to note that the Board's current Statement of Gambling Policy does not contain a "No Casino" Policy.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report.

4. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights issues arising directly from this report.

5. EQUALITIES IMPLICATIONS

The issues dealt with in this report have been the subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment is not required.

6. CONSULTATION

The Head of Finance and the Chief Constable have been consulted in the preparation of this report.

**SHEONA C HUNTER
CLERK TO THE LICENSING BOARD**

NOTE: No background papers were relied on to any material extent in preparing the above report.

L&A/SCH/DT