

Extract from SCC 'Statement of Principles@ Gambling Licensing Policy

Casinos and competing applications

- 15.1** On 26 February 2008 the Secretary of State issued the Code of Practice on Determinations relating to large and small Casinos. The Licensing Authority will comply with this Code which sets out:
- (a) the procedure to be followed in making any determinations required under Paragraphs 4 and 5 of Schedule 9 to the Gambling Act 2005; and
 - (b) matters to which the Licensing Authority should have regard in making those determinations.
- 15.2** On 15 May 2008 the Categories of Casino Regulations 2008 and the Gambling (Geographical Distribution of Large and Small Casino Premises Licences) Order 2008 were approved and Southampton City Council was authorised to issue a Large Casino Premises Licence.
- 15.3** The Licensing Authority is aware that there are likely to be a number of operators who may wish to operate the large casino. As a consequence the Licensing Authority will stage a 'competition' under Schedule 9 of the Gambling Act 2005 and have regard to The Gambling (Inviting Competing Applications for Large and Small Casino Premises Licences) Regulations 2008 and the Code of Practice issued by the Secretary of State.
- 15.4** In accordance with the above regulations the Licensing Authority will publish an invitation calling for applications for the Large Casino Premises Licence. In addition, consideration of all applications will be deferred until the published closing date for applications.
- 15.5** Where the Licensing Authority receives applications for the Large Casino Premises Licence, there will be a two stage application process in accordance with the Code of Practice issued by the Secretary of State.

General Principles

- 15.6** In the Code of Practice published on 26 February 2008 by the Secretary of State, it states that a Council should pay particular attention to the following in determining the principles or criteria they propose to apply:
- (a) protection of children
 - (b) crime and disorder
 - (c) fair gambling
 - (d) employment and regeneration
 - (e) design and location
 - (f) non-gambling facilities

- (g) financial and other contributions
- 15.7** The Licensing Authority recognises that applicants may either apply for a full Large Casino Premises Licence or alternatively a Provisional Statement. Applicants for full Large Casino Premises Licences however must fulfil certain criteria, in that they must:
- (a) hold or have applied for an Operating Licence; and
 - (b) have the right to occupy.
- 15.8** In making any decision in respect of an application, the Licensing Authority shall not take into account the likelihood of the applicant's obtaining planning permission or building regulation approval and any decision shall not constrain any later decision by the Authority under the law relating to planning or building. The Licensing Authority does, however, strongly recommend that planning permission is sought prior to submitting an application.
- 15.9** In determining whether to grant a premises licence a licensing authority may not have regard to the expected demand for the facilities which it is proposed to provide.
- 15.10** Southampton City Council intends to enter into a contract with development partners for the Royal Pier development and a casino element is intended to be part of the Royal Pier development with an application for a large casino premises licence forthcoming in relation to the site. This information is set out here so as to ensure that potential applicants are aware of this likelihood so as to ensure transparency. As a consequence, there can be no reason for the procedure to be or be perceived to be unfair in any way or perceived to be unfair by any applicant.
- 15.11** The Licensing Authority's decision will not be prejudged and where advice is sought, this will be impartial advice.
- 15.12** In making a decision on both stages of the procedure, the Licensing Authority will have regard to any Regulations, Guidance or Code of Practice issued by the Secretary of State, DCMS or Gambling Commission.

Casino Application Stage 1

- 15.13** The Licensing Authority will provide an application pack that will include a Statement of the procedure that the Licensing Authority proposes to follow in assessing applications for Large Casino Premises Licence.
- 15.14** With regard to Stage 1, the General Principles as stated in Part B of this Gambling Licensing Policy shall apply to all casino applications.
- 15.15** Stage 1 – 'The Regulatory Test' will be implemented where the Licensing Authority receives a Premises Licence application or a Provisional Statement application. The Licensing Authority will consider each application separately on its own merit and with no reference being made to the other applications received.

- 15.16** At this stage the Licensing Authority cannot accept any additional information other than the prescribed application form laid down in The Gambling Act 2005 (Premises Licences and Provisional Statements) (England and Wales) Regulations 2007. All such additional information will be disregarded and returned to the applicant.
- 15.17** The Licensing Authority recognises that each of the other competing applicants is considered an 'interested party' and as a result may make representations. Such applicants are however reminded that an interested party is defined in Part A of this Policy and each representation will be considered carefully to ensure it meets the principles set within this Gambling Licensing Policy.
- 15.18** Representations will be treated in the same manner as for a Premises Licence and in accordance with paragraphs relating to Representations in this Policy and the Principles for deciding on interested parties as stated in this Gambling Licensing Policy. It is recognised that the Licensing Authority's decision may be appealed against, in which case the Licensing Authority will not proceed to Stage 2 until all appeals have been dealt with.
- 15.19** If this process results in more than one provisional decision to grant a Premises Licence, Stage 2 – the "Greatest Benefit" test, will be implemented.
- 15.20** Where a Provisional Statement application is successful, the Licensing Authority may limit the period of time for which the Provisional Statement will have effect. This period may be extended if the applicant so applies.

Casino Application Stage 2

- 15.21** The Licensing Authority will not consider any Stage 2 applications until the closing date for applications in the competition.
- 15.22** At Stage 2, the applicant will be required to state what 'greatest benefit' they can bring to the residents of Southampton and how they can contribute to the wellbeing of the area.
- 15.23** Details of the Licensing Authority's evaluation criteria and an explanation of the proposed process will be part of the Application Pack that will be sent to applicants.

Principles that apply in determining whether or not to grant a Casino Premises Licence.

- 15.24** The Licensing Authority shall determine which of the competing applications, would in the authority's opinion, be likely if granted to result in the greatest benefit to the authority's area. The competition will be judged on a wide range of issues, reflecting the issues that are important in the City of Southampton, local concerns and local priorities, with a particular focus on tourism, employment opportunities, physical regeneration opportunities and financial contributions.
- 15.25** The Licensing Authority may during the second stage engage in discussions or negotiations with each second stage applicant with a view to the application being refined, expanded or altered so as to

maximise the benefits to the area. If discussions are with a view to particulars of the application being improved or altered (rather than merely clarified or particularised), the same invitation will be offered to all other applicants so as to ensure transparency. Where oral discussions occur these will be fully minuted.

- 15.26** The Council and the Licensing Authority does have a preferred specific location for a large casino as part of the Royal Pier and Mayflower Park redevelopment project. This site was previously identified (amongst others) as part of the Council's submission to the Casino Advisory Panel. However, all proposals will be judged on their own individual merits regardless of their location. Nevertheless, given the importance placed on the ability of the proposal to deliver large scale physical regeneration and tourism potential, areas of Southampton that already have substantial visitors/tourists would be most likely to be at a disadvantage when judged against a proposal which anchors a new infrastructure project.
- 15.27** Where an applicant presents proposals for consideration by the Licensing Authority, they will be requested to prepare a draft Legal Agreement committing themselves to the proposals being made in advance of consideration by the Licensing Committee. The Licensing Authority regards the completion of a legal agreement as being of great importance in securing the delivery of the benefits proposed. A decision by the Licensing Authority to approve an application will provide the requisite authority for the Council to enter into the Agreement, subject to any legal challenge to the Authority's decision. The form of such Legal Agreement will be provided in the application pack. In the event that the successful applicant fails to carry out the proposal in accordance with the Legal Agreement, the Licensing Authority may receive liquidated damages. Adherence to the Agreement will also be a condition on the Premises Licence so that a breach of the Agreement may result in a review of the Licence.
- 15.28** In the event that the successful operator does not open a casino within the agreed timescale, then the Licensing Authority has the power to revoke and in doing so the Licensing Authority may elect to run a new competition.

The applicant will be expected to provide:

- 15.29** At Stage 2, Applicants will be required to satisfy criteria and the evaluation matrix that will be set out in the Application Pack. The following information will be required from the Applicant at Stage 2 to allow the Licensing Committee to evaluate the proposals. This list is not exhaustive and Applicants may choose to provide additional information providing it is relevant to the Application. The Licensing Authority may request additional information to clarify certain elements of the application proposals.
- 15.30** A scale plan (1:100 preferred) of the premises indicating the location of all gaming machines, tables and automated telling machines, bars and any non-gaming areas, together with an indication of any Notices/Rules that will be displayed in the gaming area.

- 15.31** Detailed numbers of all staff and Personal Licence Holders to be employed, together with a clear management structure.
- 15.32** A description of all activities carried on at the premises, including any proposals for the provision of late night refreshment and regulated entertainment. With regard to late night refreshment, the Licensing Authority would wish to have sight of the menu to ensure substantial refreshment and not just bar snacks will be provided.
- 15.33** An indication of the proposed location of the casino which should be sustainable and appropriate, taking into account residential properties, public buildings, public transport routes and accessibility, public realm and open space.
- 15.34** An indication of the availability of the site and the applicant's capacity implement their proposals.
- 15.35** Evidence of availability of funding and an estimated cost of the scheme.
- 15.36** Evidence of financial standing including submission of the applicant's last 3 years' audited financial accounts, together with 2 financial references confirming that there is sufficient finance in place to ensure delivery of the project.
- 15.37** Two professional references should evidence that the applicant has proven ability and track record within the casino gambling sector.
- 15.38** Submission of a clear and detailed business plan supported by a signed agreement in a form that is acceptable to the Council, committing the applicant in the event that his application is successful to the proposals that he has put forward.
- 15.39** A timescale for implementation and completion of the works setting out the various project stages of construction. This is to enable the Licensing Authority to be kept informed of when the project is likely to be completed and that the applicant is on target for final completion.
- 15.40** Evidence of ongoing consultation with statutory bodies and responsible authorities to ensure that all statutory regulations/legislation are to be complied with.
- 15.41** Details of consultation with relevant stakeholders, including the Police, Public Health and Safeguarding bodies.
- 15.42** Evidence of a satisfactory employee training plan. The training must cover all relevant matters with a focus on the statutory Licensing Objectives, knowledge of the gambling legislation, an awareness of problem gambling and all relevant internal procedures. In addition, applicants are required as part of their training plan to evidence customer service training and a knowledge of the local area.
- 15.43** An example of an existing Premises Log Book, recording all staff training undertaken and confirming that a two-tier system will be used whereby staff are trained to their level of responsibility with senior staff trained to a higher level so as to ensure that they can effectively apply

procedures and respond appropriately to any customer requesting information, or assistance.

- 15.44** Evidence of Policies and Procedures in place to protect children and vulnerable persons from harm.
- 15.45** A Policy detailing the applicant's internal procedures so that 'problem gamblers' are identified at the earliest opportunity. This Policy should be incorporated into the Training Plan for all employees. The Policy is likely to set out how advice and support will be provided to those engaged in or affected by problem gambling.
- 15.46** A Policy detailing the applicant's commitment to educating the community on 'problem gambling'.
- 15.47** A commitment to both annual financial and physical time contributions to GamCare/RGT and locally identified problem gambling initiatives.
- 15.48** An Admissions Policy incorporating procedures for the Door Supervisors to follow so as to manage the non-entry of drunken individuals, under age persons and any non-compliance with the stated entry dress code.
- 15.49** A copy of the operator's Social Responsibility Policy and the casino rules for each gambling activity on offer.
- 15.50** A commitment to providing within the gaming area a specific practice area or room that enables any customer to learn how to gamble on the various activities offered without feeling intimidated or embarrassed. There shall be information provided that emphasises the importance of customers staying in control of their gambling, the steps they can take to achieve this and where to access help should they become concerned about their gambling. There should be leaflets and information clearly displayed setting out these points.
- 15.51** An indication on the plan where the separate non-gambling refuge area of the premises is located. This area should provide a refuge from gambling and could be by way of a non-threatening sound proofed quiet room that is always available for those concerned about their own or someone else's gambling. Within this room there should be installed the facility to telephone the national helpline, access an online counselling facility or contact a local face-to-face counselling service or GamCare/RGT. Leaflets with contact addresses and telephone numbers should be prominently displayed within this room.
- 15.52** Evidence on how the proposal is likely to benefit the City of Southampton, in terms of an assessment of the social, economic and physical impact.
- 15.53** Proposals for the location of the casino and any other facilities to be provided, along with how site selection, design and architecture will improve the surrounding area and street scene.
- 15.54** Proposals as to how a casino will assist with the delivery of further tourism, leisure and regeneration opportunities for Southampton and complement the strategies of the Council in this regard.

- 15.55** A marketing policy which explains how the proposal will promote Southampton in line with the Council's own strategies.
- 15.56** Details on how the proposals will directly assist sustainable job creation, local economic benefit and regeneration, learning and skills uplift. This should include local labour agreements to support young unemployed people in the city.
- 15.57** The applicant should evidence clearly how they intend to promote the statutory Licensing Objectives.
- 15.58** The applicant should clearly set out the level of financial contribution that will be offered as the 'greatest benefit' and made conditional in the event that the licence is awarded that will support the matters previously referred to in this Policy.

Evaluation Process

- 15.59** The Licensing Authority does not necessarily have all the necessary expertise in-house that it may need; so it may in certain circumstances seek advice on an applicant's proposal from Council Officers and/or external consultants/advisors.
- 15.60** The Licensing Authority may set up an Advisory Panel to assist in the evaluation of the Stage 2 application process. Members of this group will comprise individuals who are not biased or perceived to be biased and whose personal interests will not compromise their independence. They will be individuals who are able to maintain the confidentiality on which the integrity of this process depends. It will be for the Licensing Authority to determine which individuals would best represent the interests of the community. Where such an Advisory Panel is formed, the Licensing Authority will provide written terms of reference for the Advisory Panel so as to ensure that the process is open and transparent. The Licensing Authority alone will make the final decision on the successful applicant.
- 15.61** The Advisory Panel may elect to interview applicants. If so all applicants will be interviewed. The purpose of the interview will be to clarify the detail of the application and not to negotiate with the applicants. All interviews will be minuted. The Panel will supply its draft evaluation to the relevant applicant so as to enable them to correct any factual errors or to make representations as to the scoring on the qualitative evaluation. No new information will be accepted at this stage. Following any reply in writing by the applicant, the Panel will complete its assessment and forward it together with the applicants' representations to the Licensing Committee.
- 15.62** The Licensing Committee will receive advice from the Advisory Panel and will determine the application in accordance with its terms of reference. Any legal advice required shall be supplied by the Council's Legal Services' representative.
- 15.63** The decision on the successful applicant will be made public and the reasons published on the Council's web site, with any necessary redaction to preserve commercial confidentiality.

- 15.64** The Licensing Committee members will be able to consider all the applications and award their own scoring as considered appropriate using the competition principles and weighting document in the application pack. The Casino Licence or Provisional Statement will be offered to the highest ranked applicant at Stage 2, subject to completion of the Legal Agreement being accepted. If the Agreement is not completed then the Licensing Authority reserves the right to make the award for the next ranked applicant.
- 15.65** The unsuccessful applicant(s) will be informed of the result and reasons for rejection as soon as is reasonably practicable. Once a decision has been made by the Licensing Committee there will be no right of appeal against this decision.
- 15.66** In accordance with the Code of Practice issued by the Secretary of State, the Licensing Authority shall ensure that there is a Register of Interests in place disclosing interest in any contract, arrangement or other relationship with an applicant or a person connected or associated with an applicant. The Register will be published on the Council's web site; alternatively a hard copy will be made available upon request free of charge. However, applicants should note that this does not apply to any agreement between the Licensing Authority and applicant entered into during the second stage of the competition. The Register will be update as required during the application process.
- 15.67** In addition, the Licensing Authority shall have a Protocol governing the storage of confidential information submitted during the second stage to maintain confidentiality. This Protocol will be available on the Council's website or a hard copy will be available from the Council's offices upon request.