

PREMISES LICENCE FEES UNDER THE GAMBLING ACT 2005
(LOCAL AUTHORITY DISCRETION)
BRIEFING FOR COUNCILLORS IN ENGLAND & WALES

Background

Under the Gambling Act 2005 councils will become responsible for licensing the following premises:

- Casinos
- Bingo premises
- Betting shops
- Tracks
- Family Entertainment Centres (Arcades with specific gaming machine entitlements)
- Adult Gaming Centres (Arcades with specific gaming machine entitlements)

...and issuing the following permits:

- Alcohol licensed premises gaming machines permits
- 'Unlicensed' Family Entertainment Centre gaming machine permits
- Club gaming permits
- Club gaming machine permits
- Prize gaming permits

The new regime has also created the Gambling Commission, a regulatory body which has taken over the role of the old Gaming Board for Great Britain. The Gambling Commission will work with councils as it will be responsible for licensing the operators of gambling premises via Operating Licences and a variety of Personal Licences.

Unless a permit applies, operators of all gambling premises (except tracks) will hold both an Operating Licence and Premises Licences.

Timescales

Operators are applying now for their Operating and Personal Licences from the Gambling Commission. They can apply to licensing authorities (local councils) from 21st May 2007. Fees should be set in good time before this date.

Council discretion

LACORS has worked hard to maximise the amount of council discretion associated with the new regime and the ability for local decision making. For example, councillors are able to represent residents / local business, and the timeframes for hearings to be held are not prescribed. One of the other areas where the Government has provided for local discretion is with regard to fees. This is especially heartening considering the experience of fixed fee levels under the Licensing Act 2003 where many councils are experiencing major deficits.

Under the Gambling Act 2005 the Government has set, via Regulations, maximum premises licence fee levels. Councils may set their own fees at any levels up to these maximums but those fees must be based upon cost-recovery only. The Gambling Act 2005 specifically states that local authorities shall:

“aim to ensure that the income from fees... as nearly as possible equates to the costs of providing the service to which the fees relates” (Gambling Act 2005 Section 212(2)(d))

The maximum premises licence fee levels are set-out on the final page of this briefing (permit fees are centrally set and involve no local discretion). LACORS has already heard of a number of councils which have set their fees or are working to do so. Liverpool for example is carrying-out a local consultation exercise providing local business with an opportunity to comment on its draft fee levels which are currently about 75% of the maximum levels. LACORS has heard of authorities which are planning to set their fees as low as 35% of the maximums.

It is worth noting that the industry is generally very mistrustful of the suggestion that councils will set their fees below the maximums set by the Government, and takes the view that local authorities will be looking purely to maximise revenues. Indeed, LACORS understands that there may be a number of judicial review cases undertaken by the industry next year. It is also worth noting that the Minister reserves his power in the Act for the Government to remove this local flexibility and set national fees as it did for the Licensing Act 2003. LACORS is clearly keen to show that this won't be needed and that councils can be 'trusted' to make local discretion and flexibility work. Councillors are therefore encouraged to support their officers in undertaking the task of projecting their likely costs under the new Act, and to set fees accordingly.

Sources of information

Gambling Commission website (information about its role and how to apply for Operating and Personal Licences): <http://www.gamblingcommission.gov.uk/Client/index.asp>

The Department for Culture, Media & Sport website (information about the Act, timeframes and links to the Act and Statutory Instruments): <http://www.culture.gov.uk/>

LACORS website (information specifically for local authorities about their functions under the Gambling Act 2005, with a query form for local enquiries, accessible via a username and password): <http://www.lacors.gov.uk> (for your authority's username and password please ask your licensing officer or email to the following address requesting it: info@lacors.gov.uk). The policy officer is: katherine.smith@lacors.gov.uk

LACORS toolkit is available via LACORS website.

References

Fees regulations: http://www.opsi.gov.uk/si/si2007/uksi_20070479_en.pdf

Guidance on transitional arrangements: <http://www.culture.gov.uk/NR/rdonlyres/1CEF6174-A2B8-48E5-AE2A-319B33145ABE/0/GUIDANCEFINALDEC06.pdf>

Guidance to local authorities from the Gambling Commission: <http://www.gamblingcommission.gov.uk/UploadDocs/Contents/Documents/Guidance%20to%20Licensing%20Authorities.pdf>

Premises Licence Fees published in regulation SI 2007 / 479 – These fees are maximums only and local authorities must set their own fees on the basis of cost-recovery.

Premises Type	Transitional Fast-Track Application £	Transitional Non-Fast Track Application £	New Application £	Annual Fee £
Existing Casinos	300	2000	n/a	3000
New Small Casino	n/a	n/a	8000	5000
New Large Casino	n/a	n/a	10000	10000
Regional Casino	n/a	n/a	15000	15000
Bingo Club	300	1750	3500	1000
Betting Premises (excluding Tracks)	300	1500	3000	600
Tracks	300	1250	2500	1000
Family Entertainment Centres	300	1000	2000	750
Adult Gaming Centre	300	1000	2000	1000

	Application to Vary £	Application to Transfer £	Application for Re-Instatement £	Application for Provisional Statement £	Licence Application (provisional Statement holders) £	Copy Licence £	Notification of Change £
Existing Casinos	2000	1350	1350	n/a	n/a	25	50
New Small Casino	4000	1800	1800	8000	3000	25	50
New large Casino	5000	2150	2150	10000	5000	25	50
Regional Casino	7500	6500	6500	15000	8000	25	50
Bingo Club	1750	1200	1200	3500	1200	25	50
Betting Premises (excluding Tracks)	1500	1200	1200	3000	1200	25	50
Tracks	1250	950	950	2500	950	25	50
Family Entertainment Centres	1000	950	950	2000	950	25	50
Adult Gaming Centres	1000	1200	1200	2000	1200	25	50