



Licensing Committee

25 June 2014

Report Title	Gambling Act 2005 - Small Casino Premises Licence Stage 2 Award
Classification	Public
Wards Affected	All
Accountable Strategic Director(s)	Keith Ireland, Delivery Tim Johnson, Education and Enterprise
Originating service	Licensing Services
Accountable officer(s)	Keith Ireland, Delivery
Telephone	(01902) 554500
Email	keith.ireland@wolverhampton.gov.uk

Recommendation(s) for action or decision:

The Licensing Committee is recommended to:

1. Award Wolverhampton's Gambling Act 2005 small casino premises licence to Casino 36 Ltd.
2. Agree that a further report be taken to Cabinet (Resources) Panel to agree the proposed mechanisms to spend Casino 36 Ltd.'s financial contribution to the Licensing Authority as follows:
 - £9,000 to support 90 counselling programmes for problem gamblers and their families
 - £27,000 to be used for community initiative grants of up to £3,000 against a criteria to be determined

GAMBLING ACT 2005 - SMALL CASINO PREMISES LICENCE STAGE 2 AWARD

1.0 Purpose

1.1 This report is intended to advise Licensing Committee on the Evaluation Panel's work at Stage 2 of the small casino premises licence application process and recommend that Wolverhampton's small casino premises licence is awarded to Casino 36 Ltd.

2.0 Background

2.1 In May 2008 Parliament gave Wolverhampton City Council the right to grant a premises licence for a small casino under the Gambling Act 2005 (The Act)

2.2 Eight licensing authorities have been awarded such licences across the UK. A further eight Licensing Authorities were awarded large casino licences under the Act.

2.3 Before granting such a licence, the Council is required to hold a two stage application process to ascertain who the casino operator shall be. At Stage 1 applications are subject to a public consultation and assessed against the principles set out in s.153 of the Gambling Act 2005 as follows:

- a. In accordance with any relevant code of practice issued by the Gambling Commission;
- b. In accordance with any relevant guidance issued by the Gambling Commission;
- c. Reasonably consistent with the licensing objectives (subject to paragraphs (a) and (b) above; and
- d. In accordance with the Council's own Statement of Gambling Licensing Policy.

2.4 This is identical to the process that must be followed by an application for any form of gambling premises licence under the Gambling Act 2005.

2.5 If only one application had been received by the Council or only one application had been successful at Stage 1 then the licence is awarded to this applicant and the process is complete. However should two or more applications received at Stage 1 be successful then they will progress to Stage 2.

2.6 At the close of the Stage 1 application period, 31 October 2012, two applications were received from:

- **Casino 36 Ltd.**
The Rubicon Casino,
56-58 Temple Street,
Wolverhampton
(including the premises formerly known as Beach Nightclub, Temple Street)

- **Wolverhampton Racecourse Ltd.**

Wolverhampton Racecourse,
Dunstall Park,
Wolverhampton

- 2.7 One representation was received in respect of the Wolverhampton Racecourse Ltd. application; however this was received outside the consultation period and was therefore disregarded. As such this application was provisionally granted at Stage 1.
- 2.8 A total of 108 representations were received in respect of the Casino 36 Ltd. application. In accordance with the Gambling Act 2005 the determination of Stage 1 applications where representations are received is a Licensing Sub-Committee decision.
- 2.9 At a hearing on 19 June 2013 submissions were made to the Licensing Sub-Committee by the legal representatives for the applicant and the objectors. Having heard all the arguments Councillors resolved to provisionally grant the Casino 36 Ltd. application at Stage 1.
- 2.10 Both successful applications progressed to the second stage of the application process.

3.0 Stage 2 Applications

- 3.1 At Stage 2 of the process the Licensing Authority is required to determine which of the applications would be likely, in its opinion, to result in the greatest benefit to the area.
- 3.2 The decision to award the licence at Stage 2 will be made by the Licensing Committee.
- 3.3 Both applicants were invited to submit their Stage 2 applications between 1 November 2013 and 31 January 2014. Applicants were required to demonstrate how their application, if granted, would be likely to result in the greatest benefit to the area.
- 3.4 Following receipt of the Stage 2 applications both were placed before an Evaluation Panel (the Panel).
- 3.5 The function of the Panel has been to evaluate the applications for the benefit of the Licensing Committee.
- 3.6 The Panel is not a decision making body, and whilst the Licensing Committee may take the Panel's evaluations into account, it is not bound to follow them.
- 3.7 The Panel were tasked with evaluating both applications against the agreed application criteria and presenting an evaluation report and recommendation on the award of the licence to the Licensing Committee.

4.0 The Evaluation Process

- 4.1 Prior to the commencement of the evaluation process the Panel received a formal training session regarding the evaluation process and the application criteria.
- 4.2 On receipt of the applications a meeting of the Panel was held and the Panel's work programme was agreed. A number of sub groups were established.
- 4.3 It was agreed that each sub-group would meet and arrive at initial questions for the applicants and these would be prioritised by the Panel before the applicants were invited to present their applications and be asked priority questions.
- 4.4 It was established early in the process that significant additional information would be required from each applicant to enable a thorough and robust evaluation to take place.
- 4.5 After the first round of sub-group meetings the Panel agreed a list of provisional questions for each applicant.
- 4.6 On 4 March 2014 each applicant was invited to present their application to the Panel. Following this the final list of questions was sent to each applicant and they were invited to attend a further meeting with the Panel.
- 4.7 In total there were 77 questions for Wolverhampton Racecourse Ltd. and 82 for Casino 36 Ltd. The questions asked to each applicant were wide ranging and included requests for financial information, details of new jobs, revisions to plans, details of contractors, the supply of policies and a host of other information which was deemed necessary by the Panel to allow a proper evaluation to take place.
- 4.8 On 13 March 2014, one day prior to their second meeting with the panel, Wolverhampton Racecourse Ltd. withdrew their application.
- 4.9 The Panel were disappointed that the racecourse withdrew their interest in the casino licence. However the Panel were encouraged that it was confirmed during the process that the investment in the hotel and racecourse facilities at Dunstall Park is not dependent on the award of the casino licence.
- 4.10 The Panel continued to evaluate the remaining application against the criteria set out in the application pack.
- 4.11 The final report of the Panel to the Licensing Committee is attached at Appendix A.

5.0 Corporate Landlord implications

- 5.1 There are Corporate Landlord implications arising from this report. The former Beach nightclub building is owned by the Council. Casino 36 Ltd. has a 5 year lease agreement for the building.
- 5.2 No discussions regarding the sale of the building to facilitate the scheme have taken place to date in order to avoid any conflict with the evaluation process. The property was purchased under the Southside Intervention Plan and is a strategic property within the City Centre portfolio. Subject to the award of the licence negotiations will be opened with Casino 36 Ltd. for the sale of the property linked to the delivery of the casino proposals.

6.0 Financial implications

- 6.1 Cabinet (Resources) Panel on 23 July 2013 agreed to allocate £50,000 from the Regeneration Reserve to fund the specialist legal and technical advice required as part of the appraisal process for the Casino.
- 6.2 Following the withdrawal of the application from Wolverhampton Racecourse Ltd., Casino 36 Ltd were under no obligation to make any financial contribution to the Licensing Authority as part of their application. Following negotiations by the Panel the applicant has agreed to make a voluntary contribution to the Licensing Authority of £36,000. Cabinet (Resources) Panel will be requested to allocate £9,000 to support 90 counselling programmes for problem gamblers and their families, and £27,000 for community initiative grants of up to £3,000 against a criteria to be determined.
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7.0 Legal implications

- 7.1 Following the withdrawal of the application by the Wolverhampton Racecourse Ltd the Panel sought advice as to whether or not they were required to award the licence to the remaining applicant, Casino 36 Ltd.
- 7.2 The Panel was advised that they must award the licence to the remaining applicant.
- 7.3 In the circumstances, the Panel recommends that the Licensing Committee awards Wolverhampton's Gambling Act 2005 small casino licence to Casino 36 Ltd.

8.0 Equalities implications

- 8.1 The committee will take into account their equality duties in determining this application.

9.0 Environmental Implications

- 9.1 This report has no direct environmental implications.

10.0 Schedule of Background Papers

- 10.1 *29 June 2011 – Revision to the Statement of Gambling Policy – Licensing Committee*
- 30 May 2012 – Small Casino Licence Application Pack – Licensing Committee*
- 23 October 2013 – Small Casino Licence Evaluation Panel – Licensing Committee*