



AGENDA

COUNCIL MEETING

WEDNESDAY, 19TH DECEMBER 2018
5.30 PM

Members of the Council are summoned to a meeting of the Mid Suffolk District Council at King Edmund Chamber - Endeavour House, 8 Russell Road, Ipswich on Wednesday, 19th December 2018 at 5.30 pm.

A handwritten signature in black ink, appearing to read 'Arthur Charvonia'.

Arthur Charvonia
Chief Executive



MSDC COUNCIL	
DATE:	WEDNESDAY, 19 DECEMBER 2018 AT 5.30 PM
VENUE:	KING EDMUND CHAMBER - ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH

The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded. Any member of the public who attends a meeting and objects to being filmed should advise the Committee Clerk.

AGENDA

PART 1

MATTERS TO BE CONSIDERED WITH THE PRESS AND PUBLIC PRESENT

Page(s)

1 APOLOGIES FOR ABSENCE

To receive apologies for absence.

2 DECLARATION OF INTERESTS BY COUNCILLORS

3 MC/18/28 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 25 OCTOBER 2018 1 - 18

4 MC/18/29 CHAIRMAN'S ANNOUNCEMENTS 19 - 20

5 MC/18/30 LEADER'S REPORT 21 - 22

6 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

In accordance with Council Procedure Rule 10, The Chief Executive will report the receipt of any petitions. There can be no debate or comment upon these matters at the Council meeting.

7 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

The Chairs of Committees to answer any questions from the public of which notice has been given no later than midday three clear working days before the day of the meeting in accordance with Council Procedure Rule 11.

8 **QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES**

The Chairman of the Council, Chairs of Committees and Sub-Committees and Portfolio Holders to answer any questions on any matters in relation to which the Council has powers or duties or which affect the District of which due notice has been given in accordance with Council Procedure Rule 12.

9 **MC/18/31 OVERVIEW AND SCRUTINY COMMITTEE REPORT** 23 - 24

Chair of Overview and Scrutiny Committee

10 **RECOMMENDATIONS FROM COMMITTEES**

a **JAC/18/8 HALF YEAR REPORT ON TREASURY MANAGEMENT 2018/19** 25 - 48

Chair of Joint Audit and Standards Committee

At its meeting on 12 November 2018, the Joint Audit and Standards Committee considered Paper JAC/18/8, the Half Year Report on Treasury Management for 2018/19.

A revised Page 19 to Paper JAC/18/8 was circulated at the meeting, showing a corrected breakdown for the Mid Suffolk Treasury Investment Portfolio (Paragraph 1.5 of Appendix C). Paper JAC/18/8 provided a comprehensive assessment of Treasury Management activities for the first six months of 2018/19 and Members were asked to make recommendations to both Councils to note the Mid Year position, as required by the CIPFA Code of Practice on Treasury Management.

It was RECOMMENDED TO BOTH COUNCILS:

That the Treasury Management activity for the first six months of 2018/19 as set out in Paper JAC/18/8 and Appendices (Appendix C as amended by replacement page 19 circulated at the meeting) be noted.

It was RECOMMENDED TO MID SUFFOLK COUNCIL:

That it be noted that Mid Suffolk District Council Treasury Management activity for the first six months of 2018/19 was in accordance with the approved Treasury Management Strategy, and that the Council has complied with all the Treasury Management Indicators for this period.

- b **MC/18/32 GAMBLING ACT 2005: STATEMENT OF PRINCIPLES** 49 - 104
THREE YEARLY ADOPTION

Chair of Licensing and Regulatory Committee

At its meeting on 7 December, the Licensing and Regulatory Committee considered Paper MLR/18/4. In addition to the recommendations contained in the report, the Committee resolved to ask Council to debate whether to pass a 'No Casino' rule.

It was RECOMMENDED TO COUNCIL:

1. **That the 'Statement of Principles' document be adopted.**
2. **That Council determines whether to pass a 'No Casino' resolution under section 166 of the Gambling Act 2005.**

- 11 **MC/18/33 PERFORMANCE OVERVIEW OF MID SUFFOLK** 105 - 108
DISTRICT COUNCIL (SUFFOLK HOLDINGS) HOLDING
COMPANY

Councillor Gerard Brewster - Chair of MSDC Suffolk Holdings Ltd

- 12 **COUNCILLOR APPOINTMENTS**

Note: The date of the next meeting is Thursday 24 January 2019 at 5.30pm

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact Janice Robinson on: 01473 296472 or Email: Committees@baberghmidsuffolk.gov.uk

Introduction to Public Meetings

Babergh/Mid Suffolk District Councils are committed to Open Government. The proceedings of this meeting are open to the public, apart from any confidential or exempt items which may have to be considered in the absence of the press and public.

Domestic Arrangements:

- Toilets are situated opposite the meeting room.
- Cold water is also available outside opposite the room.
- Please switch off all mobile phones or turn them to silent.

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2. Follow the signs directing you to the Fire Exits at each end of the floor.
3. Do not enter the Atrium (Ground Floor area and walkways). If you are in the Atrium at the time of the Alarm, follow the signs to the nearest Fire Exit.
4. Use the stairs, not the lifts.
5. Do not re-enter the building until told it is safe to do so.

Agenda Item 3

MID SUFFOLK DISTRICT COUNCIL

Minutes of the meeting of the **MID SUFFOLK COUNCIL** held in the King Edmund Chamber - Endeavour House, 8 Russell Road, Ipswich on Thursday, 25 October 2018

PRESENT:

Councillor: Derrick Haley (Chair)
John Levantis (Vice-Chair)

Councillors: Roy Barker
David Burn
Rachel Eburne
John Field
Jessica Fleming
Nick Gowrley
Lavinia Hadingham
Glen Horn
Esther Jewson
Sarah Mansel
Suzie Morley
Penny Otton
Andrew Stringer
John Whitehead

Gerard Brewster
James Caston
Paul Ekpenyong
Julie Flatman
Elizabeth Gibson-Harries
Kathie Guthrie
Matthew Hicks
Barry Humphreys MBE
Anne Killett
John Matthissen
Dave Muller
Timothy Passmore
Keith Welham
Jill Wilshaw

In attendance: Chief Executive (AC)
Monitoring Officer (EY)
Strategic Director (KN)
Corporate Manager- Democratic Services (JR)

60. Apologies: Michael Burke
Gary Green
Diana Kearsley
Wendy Marchant
Lesley Mayes
Mike Norris
Derek Osborne
Jane Storey
David Whybrow

61 DECLARATION OF INTERESTS BY COUNCILLORS

61.1 There were no declarations of interest.

62 MC/18/23 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 27 SEPTEMBER 2018

It was Resolved:-

That subject to Minute 53.8 being amended to read “the change of 40 million” the Minutes of the meeting held on 27th September 2018 be confirmed as a true record.

63 MC/18/24 CHAIRMAN'S ANNOUNCEMENTS

63.1 The Chairman presented his report for noting.

63.2 Councillor Otton asked if it would be possible to circulate the names of the recipients of Long Service Awards to all councillors in the future.

63.3 The Chairman noted the request.

64 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

64.1 The Corporate Manager for Democratic Services reported that a petition with 161 valid signatures in support of planning application DC/18/03267 and DC/18/03268 the change of use for Cherry Tree Inn, Debenham had been received and would be dealt with through the planning process.

65 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

65.1 There were no questions received.

66 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

66.1 The following questions were received in accordance with Council Procedure Rule 12:-

Question 1:

From Councillor Rachel Eburne to Councillor Jill Wilshaw, Cabinet Member for Housing

Given the issues with meeting house-building targets and the Five-Year Housing Land Supply when is Mid Suffolk District Council going to set up a housing company, to build the homes that we need both for sale and for rent, to contribute towards this?

Response

As you are aware the Council are in the final stages of investigating options to assist in delivering more homes within Mid Suffolk, and a report will be presented to Cabinet in December. The Council has already identified land to deliver the Councils current ambitious pipeline of housing, with the delivery of 309 homes predicted over the next 3 years with 200 of these being affordable. A housing company is one of many vehicles the Council will be looking to use to accelerate housing development, though as we know from other Councils nationally that having a housing company, on its own, does not necessarily deliver more homes.

We are though confident that with a range of different vehicles and partnerships we can be at the forefront of making a positive intervention in the housing market and we endeavour to meet, and hopefully exceed, the housing targets we have been set.

Supplementary Question

Given the importance of this and the relatively low ambitions really within the housing strategy which is at a draft form at the moment there are housing companies that are quite successful and one is just north of the border actually but will the Council therefore provide a quarterly update on the amount of homes built in order to give confidence to local communities that we will achieve the overall housing numbers?

Response

Yes, we can do that.

Question 2:

From Councillor Keith Welham to Councillor Jill Wilshaw, Cabinet Member for Housing

Could we please have an update on progress towards building a passivhaus development in Mid Suffolk?

There has never been a more opportune time to purchase land to provide truly affordable energy efficient homes for tenants. Climate change is happening and becoming critical; energy prices are continuing to rise; more and more families are finding that Universal Credit makes them worse off financially. We can, as a Council, do our bit to tackle climate change, contribute towards the 5-year land supply target; assist families on low incomes; and lead the way locally by demonstrating how to provide truly sustainable housing. I moved a motion in October 2015 seeking a commitment from Council to plan and carry out the construction of a passivhaus development by 2017. After discussion, Council resolved as follows:

‘That this Council calls on Executive to investigate further how to achieve the aspiration for building Passivhomes’.

Please detail for Members the steps taken in the three years since that resolution of Council in October 2015.

Response

Whilst I accept that Mid Suffolk District Council have yet to build a Passivhaus since we began our ambitious housing development programme. We have been able to achieve the development of 38 new build homes and 65 acquisitions in the past three years. With a further 143 new build of our own homes planned over the next four years.

It is important that we develop sustainable and energy efficient homes and that is why our draft Housing Strategy for the period 2019-2024 identifies:

- Explore the development of a passivhaus standard for some new builds
- New homes are built to a high standard with the aspiration of Lifetime homes
- Expanding the air source heating programme for our council housing
- Updating of heating systems in council stock – replacing oil where possible, with gas or air source heating
- Granting funds to private landlords to install affordable, efficient and controllable heating systems and energy efficiency works
- Making sure all Council housing has an ‘EPC C’ rating or above

We know we must balance the viability of sites including standards and specifications with land and build costs.

I propose that the next steps should be:

- **Housing Strategy** – will include a commitment in relation to our own new builds that we will consider a range of options.
- **Design brief** that we are using for imminent contracts is completed by officers using advice from building control and the brief is explained to members about what sustainable measures are already in place.
- **‘A Member Board’** - Cross party member involvement /tenant involvement /officer involvement with development of new design brief for future builds. This could involve a range of specifications for measures that help those on a low income to have warm homes. Including passivhaus, the use of Air Source, electric charging points, and lifetime homes standard.

Supplementary Question

I am indebted to a Babergh Conservative Cabinet Member for her support. She’s clearly understood the reasons for my motion in 2015. Cllr Tina Campbell, a Babergh District Council Cabinet Member for Environment has requested inclusion in our Joint Environment Strategy the following:-

“Housing development should be required to meet passive house standards. In her email to Councillor Burn and copied to Councillor Roy Barker and a number of others states ‘if we don’t demand passive housing for all developments we are missing an opportunity so can we receive back please at the next Council meeting some firm dates for commissioning passive house designs and a target date for completion of construction of our first development?’.

Response

At the moment we are considering all aspects of buildings whether they’re passive house or others and we will look into this and see what we can achieve.

TO RECEIVE REPORTS FROM CABINET MEMBERS**67.1 CMU25 Councillor Gowrley, Leader and Cabinet Member for Assets and Investments****Q1 Councillor Otton to Councillor Gowrley, Leader and Cabinet Member for Assets and Investments**

How many people do we have in the Foyer at the moment?

Response Cllr Gowrley Leader and Cabinet Member for Assets and Investments

The Foyer is full. There was one vacancy because there was a fire in one of the units recently but that's being dealt with by BMBS. The Foyer is not just for Mid Suffolk residents it's for Babergh residents as well and anybody else that wants to use it.

67.2 CMU26 Councillor Flatman, Cabinet Member for Communities**Q1 Councillor Welham to Councillor Flatman, Cabinet Member for Communities**

The Parish Liaison meeting - I attended that meeting and I was thoroughly embarrassed for most of the time, speakers could not be heard, the live demonstration via the internet couldn't be live because there was no internet and the feedback from attendees. I'm sure that officers will have seen feedback from attendees. This was really a lost opportunity and I would like you to note that.

Response Councillor Flatman, Cabinet Member for Communities

I certainly have noted this. I have a meeting with the Assistant Director next week and I will certainly raise this.

Q2 Councillor Matthissen to Councillor Flatman, Cabinet Member for Communities

There is a need for health and wellbeing initiatives to include some measure of performance. How many subsequent initiatives have begun as a result of the active wellbeing launch by Suffolk Sport on the 17th of July?

Response Councillor Flatman, Cabinet Member for Communities

Active Wellbeing is a programme MSDC have commissioned Suffolk Sport (the County Sports Partnership) to undertake on its behalf. Over the next 3 years the project will deliver a targeted physical activity programme based in the GP surgeries in Fressingfield and Stradbroke (2018/19), Debenham (2019/20) and Eye (2020/21) supporting older patients/residents to become and stay more active and socially connected in their local community. The project launched in mid-July and as at end of September, 19 people have been referred to Physical Activity Advisor Annie Groves and successfully supported to access an appropriate community-based

initiative to support their health and wellbeing. This performance is on track with the annual target set out in the performance and evaluation framework. Suffolk Sport are currently surveying local residents in the catchment area for this GP practice group to understand what additional or new activities are needed. This is likely to involve them establishing new health walks locally and 'Fit village' type activities such as Otago and New Age Curling, tailored to local need. Linked to this initiative the Council are also working with our leisure operator (SLM) to establish a gym-based GP exercise-on-referral scheme at Stradbroke Swimming Pool & Fitness Centre.

Q3 Councillor Matthissen to Councillor Flatman, Cabinet Member for Communities

How many people took part in the Women on Wheels events on the 22nd of September?

Response Councillor Flatman, Cabinet Member for Communities

The event in Debenham was cancelled due to a lack of interest. Unfortunately only 6 women signed up which was not sufficient to make the event viable. We will work with Debenham Leisure Trust to raise the profile of this event should the organisers wish to hold it again in future years. The Sudbury event attracted 96 participants so we are confident that this model can and does work.

Q4 Councillor Matthissen to Councillor Flatman, Cabinet Member for Communities

How many yoga and health walk events took place during workplace Health Week 10th to 14th of September?

Response Councillor Flatman, Cabinet Member for Communities

The Health and Wellbeing team worked with our partners at Suffolk County Council to host Workplace Health Week. During the week, 2 Health Walks were held on the 11th & 13th September and 2 Yoga sessions on the 14th September. Other activities included Health Checks provided by One Life Suffolk and taster sessions for Mindfulness and Pilates.

Q5 Councillor Otton to Councillor Flatman, Cabinet Member for Communities

This question may well not be for this Cabinet Member but it's on the Community Infrastructure website that we have all had training on. I have tried but I certainly could not get access to it.

Response Councillor Horn, Cabinet Member for Planning

My understanding is that we are going through the last testing on that so it will be very soon I know it's been slightly delayed and everybody is very keen to see it because when it is up and running it's very impressive but as soon as it goes live all parishes, parish clerks and members will be made aware of it and we'll do a little bit of training to make sure people fully understand it.

Apologies it's not there yet but it will be very very soon.

67.3 CMU27 Councillor Brewster, Cabinet Member for Economy

Q1 Councillor Killett to Councillor Brewster, Cabinet Member for Economy

Please could you provide clarity in paragraph 4.2 as to what these lines of conversation are relating to the developments?

Response Cllr Brewster, Cabinet Member for Economy

Obviously with some of the work that is going on there are sensitivities which we have to work through before the Council can really make them public. Stored sites - I am aware certainly that there is work going on with a site at Stowmarket Ashers Farm. It has certainly been unlocked and there is work actually starting to happen, not work on site but work starting to continue towards the purchase of the site and also with a planning application eventually coming in. The promotion of our enterprise zone and food enterprise zones the designated sites are at Gateway 14, again there is much work to do before we can actually progress work on the site although there is some work going on with surveying and that sort of thing but also there is a lot of pre-commencement conditions which are being worked through and we're certainly have employed a planner for the master plan of that site overall. Once we have these up and running they will create jobs and will increase the options for micro and SME businesses. The Council will be kept updated on these as and when we are able to do that around the commercial sensitivities.

Q2 Cllr Stringer to Councillor Brewster, Cabinet Member for Economy

You mentioned Ashers Farm my understanding of the allocation there was that it was a residential not a commercial application, has there been a change?

Response Cllr Brewster, Cabinet Member for Economy

No there hasn't this is certainly a residential site.

Q3 Councillor Mathissen to Cllr Brewster, Cabinet Member for Economy

At the Parish Liaison meeting I've found out that there is a sort of a two- tier system in terms of the shop front grant mentioned in 3.1 of the report. Shop fronts in Stowmarket were offered up to 75% up to £15,000 whereas shop fronts in villages were only offered 50% up to £5,000. I was given the assurance by e-mail that the grant that is available to shops in the rural areas is now the same as those available to shops in Stowmarket. I would like to have that confirmed because I think it is important that we do all we can to maintain our shops and make our shops in rural areas as attractive as possible.

Response Cllr Brewster, Cabinet Member for Economy

I can confirm that is the case.

67.4 CMU28 Councillor Burn, Cabinet Member for the Environment

Q1 Councillor Otton to Councillor Burn, Cabinet Member for the Environment

Under 3.11 in the report it mentions the changes to animal licensing legislation which now the District Council has to take on and I would like to know what is meant by performing animals?

Response Councillor Burn, Cabinet Member for the Environment

I can't answer your question directly now but will clarify this with our Licensing Team and come back to you.

Q2 Councillor Matthissen to Councillor Burn, Cabinet Member for Environment

What is the Current Suffolk Waste Partnership (SWP) Policy position regarding the recycling of plastic, in view of reports of fraud in the recycling industry and some other councils stopping recycling?

Response Councillor Burn, Cabinet Member for the Environment

The SWP position has not changed on plastics and will not as part of the current procurement of the new MRF arrangements. Viridor have confirmed that although black plastic tubs and trays are problematic in so far as recycling and recovery they are and will continue to recycle these products.

A little bit of additional information you'll have seen or may have seen that today in fact all the Suffolk Household Waste Recycling Centres are ceasing to accept plastic film, plastic bags and plastic film as a recyclable product. They are now asking that for people not to take them take such items but if they do they are currently asked to put them in the in the residual waste bin and this is something that we in Mid Suffolk have been doing for quite some time we don't accept plastic film in our recycling bins and we have asked all our residents to put their plastic film into their black bin for some time now.

Councillor Barker, Lead Member for Waste

Thankyou Chair just to clarify a bit more on that because it is very much in the news that the value of plastic has just dropped out of down to zero. At the recycling centre we'll still be taking bottles, washed bottles, plastic bottles and bottle tops, tubs, plastic tubs plastic pots, tubs and food trays and also the tetrapaks the one thing we don't want and we have been advertising it for a long while is the plastic bags and the film is not wanted there and also polystyrene as well because at the moment if they get some it costs money to deal with.

Q3 Councillor Matthissen to Councillor Burn, Cabinet Member for Environment

How many electric vehicle charging points have so far been installed in the district and how many are expected to be available by the 31st of March 2019?

Response Councillor Burn, Cabinet Member for the Environment

We have not installed any electric charging points in Mid Suffolk so far. We will have installed one at Needham Markey by March/April next year as part of the work we are doing with highways England.

Supplementary Question

Have you been in touch with the company in Stowmarket Tomo Industrial Estate which is actually a major UK supplier installer of vehicle charging points that they're right here?

Response Councillor Burn, Cabinet Member for the Environment

No I haven't been in touch with them but our Environmental Management officer after this sort of thing will ask him on your behalf Cllr Matthissen.

Q4 Councillor Field to Councillor Burn, Cabinet Member for Environment

On the solar PV bulk buy I appreciate this is actually a county scheme. The sheer number of residents 2800 in Suffolk and 5000 across Essex and it mentions further down that this company has installed 15000 over the last 9 years. What is the chance of what is reported here actually going to get installed and getting done on time.

Response Councillor Burn, Cabinet Member for the Environment

It's an interesting question and I will find the answer for you and report back to you.

Q5 Councillor Welham to Councillor Burn, Cabinet Member for Environment

Under paragraph 3.27 Wren Close, Cedar's Park, Stowmarket. Please could you provide some sort of information/clarification here. First of all I'm pleased to see that the play area is to be revamped and I'd like to ask is the Council funding this work and if so from which budget and why given that local Councils are expected to raise funds for refurbishing play areas as a general rule or in some cases as is going to be the case in Stowupland the maintenance cost of the play area is going to fall upon the people that move into the new houses?

Response Councillor Burn, Cabinet Member for the Environment

The management of open spaces public realm property is by several different mechanisms as you know. I'm not familiar with the one on Cedar's park so I can't tell you how it is managed. It could be that there is still a commuted sum in operation there, which would which would conceivably fund this refurbishment if you'll bear with me I will get some information put together on that one and get it to you in writing.

Q6 Councillor Mansel to Councillor Burn, Cabinet Member for Environment

I was interested to hear in paragraph 3.9 that there is a Suffolk Strategy to combat obesity and wondered if that meant that there was any sort of strategy to restrict development of new fast food outlets in particular drive through fast food outlets which I don't think do anything to combat obesity.

Response Councillor Burn, Cabinet Member for the Environment

This will be addressed to some degree in the new Joint Local Plan it's certainly something that I have suggested should be in the Joint Local Plan

Q7 Councillor Stringer to Councillor Burn, Cabinet Member for Environment

In paragraph 3.26 it mentions fly tips collected during this period can I ask is that an increase/decrease or about the same as last year?

Response Councillor Burn, Cabinet Member for the Environment

At the moment it's about average, it might have dropped a fraction but it all depends how you actually measure fly tipping. I think it would be helpful in future if we indicated quarter on quarter on that, so there would be some indication but it's perfectly true that somebody throws an old toaster into the bottom of a hedge that's one incident, somebody dumps 3 tonnes of stuff in a layby that's another one. It doesn't tell you too much without the overall tonnage but it is an indication.

Q8 Councillor Fleming to Councillor Burn, Cabinet Member for Environment

Has the Suffolk Waste Partnership ever worked with the Environment Agency to audit what actually happens to the recycled plastics we are learning that plastics are going off to Indonesia, Sri Lanka and Malaysia goodness knows where and actually British plastics are ending up in pacific beaches and rivers do we know what actually happens?

Response Councillor Barker, Lead Member for Waste

As a representative on the Suffolk Waste Partnership, yes we trace as much as we can. I will ask the Waste Partnership Manager to provide a full response.

67.5 CMU29 Councillor Whitehead, Cabinet Member for Finance

Q1 Councillor Eburne to Councillor Whitehead, Cabinet Member for Finance

Paragraph 4.2 of the report refers to a £2M deficit over the 4- year period. This was mentioned at the Parish Council Liaison meeting and not without any substantiating information and again it's been mentioned here without any substantiating information so please could you advise what are these figures based on given that in the Medium -Term Financial Strategy we've looked at aligning that potentially with the Annual Monitoring report. What is the expected amount per year because the current Medium -Term Financial strategy has a small amount £0.2 million surplus in the first year.

Does this mean there is a massive deficit in year 4 and has the government indicated that new homes bonus is to be scrapped. Please can we not include figures in reports without substantiating them because it doesn't allow for proper public scrutiny.

Response Councillor Whitehead, Cabinet Member for Finance

I think Members are all aware that once the financial year is closed in June/July and the audit finished then we go straight back into budget setting formation right from late July/August. We have started this from a zero- budgeting point of view and worked with the finance team and department managers to formulate the budget over quite a long period of time prior to it coming to both Cabinet and Council early next year. My understanding is that at the last Parish Liaison meeting there was an early indication of where the budget was going. The Chief Executive advised the parish representatives there that we are looking at a £2M pound deficit at that point in time prior to any new homes bonus. There are plenty of challenges, opportunities, efficiencies and things still to be looked at, the Chief Executive in order to set the scene announced that figure. That is why it has been included in my report for Members to be aware of that. We are still working through opportunities, challenges, efficiencies and the final result will no doubt be quite different to that. With the question about new homes bonus and obviously that's based I guess very much on the fact that as a Council we've taken a policy from when it started in 2011 not to include that as core finance but sort of see that as additional finance. Now as those figures have increased and the Council's has decreased I can see the policy could come under question. More recently the Government first of all decided to topslice 20% to the County Council, they have also decreased the amount from 6 years to 4 years and then more latterly started a base point of 0.4% growth before starting it so that it has been tinkered with quite a lot. I am not aware that the government plan to scrap it. The Council is still of the view that new homes bonus is very much a bonus rather than core finance and therefore when we look at our numbers we are trying to produce a balanced budget and indeed a balanced 4 year medium term financial strategy without relying too much on new homes bonus. With last year's bonus the Council took about £324K out of just over a million of the new homes bonus but it worked out about 25% that we used. Going forward we will have to use some of the bonus of perhaps that sort of magnitude but very much it's still our policy not to rely on new homes bonus.

Supplementary Question

You mention in your report that we will be required to find savings where you've just said early indications so could you correct your report please if that is not the case if it's not a definite and secondly, new homes bonus lots of councils have different systems for using that and give it back to communities will you change your report to say is early indication rather than will require and can you let me know if you're going to investigate other uses for a new homes bonus in the future. Thankyou.

Response Cllr Whitehead, Cabinet Member for Finance

I'm certainly happy to make that minor edit insofar as when it was written it was a statement of fact as at that point in time but obviously as things have moved on it does become a little historic. In terms of the new homes bonus, I mean any surplus

we have is put into our what was that the transformation fund and more recently the growth and efficiency fund; if you look through the various things that have been taken out of there. I think there was probably 60 or 70 different projects that were one off specials that we have used that money for and perhaps if it hadn't have been there, we wouldn't have done them. Other things that we have used the funding if we haven't had the new homes bonus we would still had to find the funding from somewhere within our overall budget so I think the lines are a bit blurred really the blurred edges between when new homes bonus is used and when general budgeting is used but the growth efficiency fund is now down to around about £2M and as I said earlier the new homes bonus quantum are dropping off so I think going forward it's probably less of an issue than it was in the past.

Q2 Councillor Stringer to Councillor Whitehead, Cabinet Member for Finance

I thank you for that clarification, to avoid any confusion in the future would it be possible if Members could have a briefing noted before this is announced to the public.

Response Cllr Whitehead, Cabinet Member for Finance

I take on board your comments.

Q3 Councillor Field to Councillor Whitehead, Cabinet Member for Finance

In paragraph 3.9 of the report it mentions about the HRA shortfall, is the £322k shortfall a shortfall in income or is it an overspend is it you know something that really will correct itself during the rest of the year so no one should be worried or is it a sign of a trend?

Response Cllr Whitehead, Cabinet Member for Finance

I will provide a written response as I don't have that detail to hand.

67.6 CMU30 Councillor Wilshaw, Cabinet Member for Housing

Q1 Councillor Otton to Councillor Wilshaw, Cabinet Member for Housing

I was concerned that the recent report we were hearing on the news about the lack of action that councils across the country have taken against rogue landlords. Has this council been in a position of being able to prosecute such people or whether or not this is an issue that you have not been able to deal with?

Response Councillor Wilshaw, Cabinet Member for Housing

As far as I know the Council has not prosecuted anybody. I don't know whether the Council has any rogue landlords here at the moment but I will find out for you.

Q2 Councillor Welham to Councillor Wilshaw, Cabinet Member for Housing

In the Social Housing Green paper there's a list of things there that will be consulted upon. Will Members be given a sight of the response to the Social Housing Green

paper and will the response specifically include references to the need to ensure that homes are not only safe and decent but also efficient in terms of use of energy and water.

Response Councillor Wilshaw, Cabinet Member for Housing

You will be consulted.

Q3 Councillor Stringer to Councillor Wilshaw, Cabinet Member for Housing

I did write a question earlier to the portfolio holder for housing delivery earlier in the week about completions in Mid Suffolk this year because we learned from the briefing earlier of course how important that is to know how many houses we've delivered and I did get an answer back to show that the government's statistics said that we had 110 completions in the first quarter of this financial year and if you were to times that by 4 it arrived at a figure of 440. However, since 2012 this group has put in every consecutive alternative budget proposals to invest in finding out what our actual delivery numbers are and at the last budget the administration kindly agreed to put an element of that in there so I am I have to say I'm quite surprised that after two quarters into this year we still don't have our own evidence as to what we are building when do you feel we'll have our own evidence as to what the housing completions are in Mid Suffolk?

Response Councillor Wilshaw, Cabinet Member for Housing

As you know the Assistant Director has replied via me and we won't really know the final statistics until the end of the year and that's when we can give you a positive number.

67.7 CMU31 Councillor Gowrley, Cabinet Member Law and Governance

Q1 Councillor Field to Councillor Gowrley, Cabinet Member, Law and Governance

In the report it mentions the annual canvass and electors. There is actually an election going on in Bosmere at the moment as you know and I had to point out to the Council that a substantial number of voters in my village certainly had not received any form of polling cards and I believe the number missing overall was something like 900 which seems quite significant I'm just really questioning what has been put in place to ensure that nothing like that happens again because people are often confused in that they think they need such a card and equally well it's obviously a prompt to voters for whoever they may choose to vote for to get out and do just that duty.

Response Deputy Returning Officer for the election

As Deputy Returning Officer for this election. Cllr Field is correct we were made aware of an error where some electors did not receive a poll card for this election. We rectified that as soon as we were made aware. The cause of the problem was printer error where they had manipulated the data that was used for printing the poll cards and that had meant that a number of electors were not included so in the future we have taken steps to ensure that there should be no manual intervention

and also to go back to our checking procedures which on this occasion unfortunately failed.

Q2 Councillor Fleming to Councillor Gowrley, Cabinet Member, Law and Governance

Do we understand from that then, that everyone who didn't apparently receive a polling card along with everyone else subsequently received one. They were just late?

Response Deputy Returning Officer for the election

That is correct all electors have now had a poll card. They were sent more than a week before polling day.

67.8 CMU32 Councillor Morley, Cabinet Member Organisational Development

Q1 Councillor Welham to Councillor Morley, Cabinet Member, Organisational Development

In paragraph 3.2 on average 88% of the calls were answered within one minute 30 seconds. Do we know how many of those 88% of the calls were answered within 1 minute 30 seconds. Do we know how many of those 88% were answered by a machine or how many by a person please? In my recent experience is that when I've called into a number into Endeavour House more often than not it's a machine that answers and I have to say the machine is very efficient it answers well within a minute and a half.

Response Councillor Morley, Cabinet Member Organisational Development

I believe that that is real people answering the phone and subsequent to the quarter to figures the response has now dropped or in the last month has dropped to under 1 minute.

67.9 CMU32 Councillor Horn, Cabinet Member for Planning

Q1 Councillor Eburne to Councillor Horn, Cabinet Member for Planning

"What steps is the Council taking to clarify the situation regarding the lack of a Five-Year Housing Land Supply to developers, agents, Parish/Town Councils and the public?"

Response Councillor Horn Cabinet Member for Planning

Officers are currently working to clarify and solidify the evidence that underpins the calculation, including contacting developers with Outline Planning Permissions to secure the evidence required by the new NPPF to demonstrate their deliverability. This is a challenge because providing us with detailed information is not necessarily in their commercial interests – a point that Nick as Leader of the Council has raised with the Minister, James Brokenshire.

We do need to gather the evidence though and are committed to doing so. Further communication with developers, agents, Parish and Town Councils and the wider public will be undertaken once this evidence has been gathered and I am satisfied that it is robust.

Supplementary

I am concerned that there is a slight difference in the responses in that today an officer said and I quote “the Inspector said and that’s the Inspector in the Woolpit case we do not have a 5 year housing land supply and we do not have the evidence to dispute and at that date our housing land supply is 3.4 years and my question would be how when are we going to communicate this fully to the members of the public because in the response given it says further evidence needs to be done beforehand but communities are already confused about what’s happening and I dispute that they aren’t just wanting 5 year land supply so they can turn down applications. Communities do want the right homes in the places that communities that need them so when we are going to put a public statement out to all communities and give them the assurance of the work that’s going to be done following the fact that we have been told by officers today that we have a 3.4 year housing land supply.

Response Cllr Horn, Cabinet Member for Planning

Thankyou Chair I think once again there’s a little bit of confusion crept in here that shouldn’t be. This was the position that the Inspector took on one particular appeal as I’ve stated several times in public in the press and on the radio I don’t agree with that decision. What we were not able to do was provide the evidence that the Inspector required to provide our 5- year land supply. That’s the piece of work that’s going on now. I am not going to take one Inspector’s decision as evidence of our land supply and that’s not the message that was given this afternoon at the briefing. This was one particular point in time the interpretation of one particular Inspector who as I think the Assistant Director made very clear this afternoon has applied the new rules to old evidence and has certainly muddied the waters in a lot of people’s minds. I completely agree with you, the communities are confused about this which is why we have provided all the resources we need and Strategic Planning team to provide this robust evidence to show us exactly where we stand. That will be delivered as quickly as possible but it won’t be delivered until it’s been checked and tested and is absolutely robust and that it will come out formally.

Q2 Councillor Otton to Councillor Horn, Cabinet Member for Planning

I’d like to know whether the Council is taking any action to challenge that Inspector’s decision?

Response Councillor Horn, Cabinet Member for Planning

We’ve taken legal counsel so far and we need to make a formal decision. I am awaiting comments from a couple of my colleagues at the moment with regard to how they would proceed. At the moment we have not made a formal decision but as soon as we do that will be announced as well.

The Chairman thanked Cabinet Members for their updates

68 MC/18/25 OVERVIEW AND SCRUTINY COMMITTEE REPORT

68.1 Councillor Welham introduced his report to Council and updated Council on the latest activity that the Committee had undertaken.

68.2 The Chairman thanked Councillor Welham for his report.

69 MC/18/26 DISBANDMENT OF JOINT HOUSING BOARD

69.1 Councillor Wilshaw introduced the report and informed Council that the purpose of the report was to gain agreement from the Council that the Joint Housing Board should be disbanded and to describe the alternative form of tenant engagement that was being pursued.

69.2 The proposal to disband the Joint Housing Board followed on from a review of Babergh and Mid Suffolk tenant engagement structure carried out by HQN between October 2016 and July 2017. A project was commissioned in October 2017 to explore ways to involve tenants that would both ensure compliance and also allow tenants to have meaningful involvement in the development and scrutiny of the housing services. The project team held a series of consultations and workshops with the principal tenant groups, the Tenants' Forum and the Joint Housing Board and other key individuals. These sessions developed an alternative tenant engagement structure that would replace the existing groups with a single tenant board. It is intended that this board will be able to scrutinise services and act as a consultative group and it would be supported by the Housing Management Team and Tenant Sounding Boards. It should be noted that this structure should also put the Babergh and Mid Suffolk Councils in a good position to meet the government's expectations as set out in the recent Housing Green paper. In particular that it ensures genuine engagement with residents so that they have influence over the decisions that affect their lives. The Tenant Board is now up and running and is working closely with staff and external consultants to develop their skills and knowledge. The Board have agreed their own Terms of Reference and Code of Conduct and will soon be developing their work schedule for 2019. As you can see in the report both the Joint Housing Board and the Tenants' Forum have been consulted on this proposal and have voted in favour of their disbandment and replacement with the Tenant Board.

69.3 Councillor Wilshaw then moved the recommendations in the report which Councillor Gowrley seconded.

69.4 On the proposal of Councillor Mansel and seconded by Councillor Eburne an amendment to the recommendation adding the additional wording "disbanded subject to the Sounding Boards as outlined in the report under Sections 3.4, 3.5 and 3.6 being created instead".

69.5 This was **PUT** to the meeting and **AGREED**.

It was Resolved:-

That the Joint Housing Board be disbanded, subject to the Sounding Boards as outlined in the report under Sections 3.4, 3.5 and 3.6 being created instead

70 MC/18/27 COMMUNITY GOVERNANCE REVIEW - BATTISFORD

70.1 The Chief Executive introduced the report and informed Council that a request had been received from Battisford Parish Council to carry out a community governance review that related to a proposed development of 10 homes. The Council were being asked whether to agree to hold a review as a result of this request.

70.2 On the proposal of Councillor Gowrley and seconded by Councillor Killett

It was Resolved:-

- (i) That a Community Governance Review be undertaken in respect of the boundary of Battisford and the Terms of Reference at Appendix B be approved.**
- (ii) That a politically balanced Community Governance Review Working Group be created to conduct the review, consisting of 5 members nominated by group leaders**
- (iii) That the Community Governance Review Working Group be required to report its findings and recommendations to full Council for decision.**

71 COUNCILLOR APPOINTMENTS

71.1 There were no changes made.

72 UPDATES TO 2019/20 TIMETABLE OF MEETINGS

72.1 The Corporate Manager for Democratic Services informed Council that the Development Control Committee A that was scheduled for 29th May 2019 had been cancelled.

The business of the meeting was concluded at 6.51 pm.

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Chair

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Agenda Item 4

		MC/18/29		
MID SUFFOLK DISTRICT COUNCIL CHAIRMAN'S ANNOUNCEMENTS				
COUNCIL - 19 DECEMBER 2018				
EVENT	LOCATION	DATE	CHAIRMAN	VICE CHAIR
OCTOBER 2018				
Mayor's Reception to celebrate the opening of Refurbished Town Hall	Town Hall, Eye	30-Oct	✓	
NOVEMBER 2018				
Mayor's Charity Event - East Anglian Ghost Stories	Moyse's Hall Museum Bury St Edmunds	01-Nov		✓
Mid Suffolk Citizens Advice Bureau AGM	Community Centre Stowmarket	02-Nov	✓	
Mid Suffolk Avenue of Oaks Memorial Planting - Commemorating Centenary of end of WW1	The Meadow, Wells Way, Debenham	02-Nov	✓	
Eve of Peace Service	St Edmundsbury Cathedral Bury St Edmunds	07-Nov	✓	
Rose Garden Memorial Service	Abbey Gardens, Bury St Edmunds	10-Nov	✓	
Festival of Remembrance	The Regal, Stowmarket	10-Nov		✓
Remembrance Service	St Peter's Church, Thurston	11-Nov	✓	
Armistice 100: Parade and Service of Thanksgiving and Commemoration	Athenaeum/War Memorial and St Mary's Church, Bury St Edmunds	11-Nov		✓
Remembrance Service	St Ethelbert Church, Hessett	11-Nov	✓	
DECEMBER 2018				
Mayor's Civic Carol Service	St Edmundsbury Cathedral Bury St Edmunds	03-Dec	✓	
Christmas Visit to MSDC Sheltered Housing Schemes	Hurstlea Court Needham Market	04-Dec	✓	
Bishops Christmas Drinks Party	Ipswich	07-Dec	✓	

EVENT	LOCATION	DATE	CHAIRMAN	VICE CHAIR
Mayor's Festive Tour of Christchurch Mansion	Christchurch Mansion Ipswich	11-Dec	✓	
Babergh and Mid Suffolk District Councils Staff Long Service Awards Presentations	Endeavour House, Ipswich	12-Dec	✓	
Mayor's Town Carol Service	St Mary's Church, Haverhill	12-Dec	✓	
Christmas Visit to MSDC Sheltered Housing Schemes	St Peter's Court, Claydon	14-Dec	✓	
Mayor's Town Carol Service	St Andrew's Church Felixstowe	14-Dec		✓
Forest Heath DC Chairman's Carol Service	St Mary's Church Barton Mills	16-Dec		✓
Christmas Visit to MSDC Sheltered Housing Schemes	Partridge Court Stowmarket	18-Dec		✓

Agenda Item 5

MC/18/30

MSDC - Council – 19th December 2018 Leaders Report

1. **Removal of HRA Borrowing Cap** – The removal of the Housing Revenue Account (HRA) borrowing cap delivers a game changing opportunity for many councils to deliver much needed homes. The LGA has recently contacted us to offer us the opportunity to access additional skills we need to develop a sector-led offer that can help us to deliver the new homes that our communities need, and have created the opportunity to access grant of up to £50,000 to support this.
2. **Environmental Strategy** – we have commissioned some external support to get this in place as soon as possible. A cross-party sounding board will also be set up shortly.
3. **Community Strategy** – a couple of stakeholder events have now been carried out and a cross-party Member event was held on the 5th December. It is envisaged that a draft paper will come to Cabinet on 7th January, followed by a consultation period before it comes back to Council for adoption in March 2019. (Overview and Scrutiny have agreed the engagement process).
4. **Annual Canvas** – as Members are aware, the latest electoral registers are now available. I'm pleased to advise Members, that the annual canvas achieved a 96.6% return rate with 46.4% being electronic. The registers will be re-published in February once the final announcement of ward changes is confirmed.
5. **Social prescribing:** At the recent Public Sector Leader meeting, a bid of £183,260 was approved to put in place a full one-year social prescribing model testing the approach across Babergh, Mid Suffolk and Suffolk Coastal Districts. The bid is part of a multi-sector and multi-agency bid which has already secured £549,507 from the Ipswich and East Suffolk CCG Transformation Award. The CCG has also agreed a separate investment of £250,000 for social prescribing across the two INT areas in Ipswich.

The money would enable partners to establish and embed social prescribing across the whole area covered by the CCG and to demonstrate the outcomes that can be achieved – for individuals, communities, VCSE organisations and the public sector. The longest running social prescribing pilot in Suffolk, Lowestoft Solutions, has seen reductions of 44% in GP appointments and 21% in A and E visits across the first cohort of 100 patients (comparing the 6 months prior to and after intervention).

Social Prescribing is a person-centred approach that connects people to sources of support, often provided by the voluntary, community and social enterprise (VCSE) sector. A dedicated 'community connector' has the time to get to know individuals and help them to access practical, emotional and community support to improve their health and wellbeing.

The ultimate aim of Social Prescribing is to ensure better outcomes for individuals and more appropriate use of NHS and social care resources. This releases capacity across the system to enable those who require specialist/clinical support to access it sooner. This proposal is part of a wider transformation programme to streamline patient flows, build a more diverse and responsive local provider base and tackle local demographic challenges e.g. the ageing population and hidden needs (including loneliness and social isolation).

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Agenda Item 9

MID SUFFOLK DISTRICT COUNCIL

TO: Council	REPORT NUMBER: MC/18/31
FROM: Chair of Overview and Scrutiny Committee	DATE OF MEETING: 19 December 2018

Joint Overview and Scrutiny Committee

On 19 November, the committee considered reports on the following:

Community Infrastructure Levy (CIL) Expenditure Process

The committee heard from three witnesses: a village hall secretary who made a successful bid; a Babergh Member who assisted with a number of successful bids and a representative of Suffolk County Council who made a number of successful and unsuccessful bids. A general feeling emerged that the current application form is unnecessarily complicated, particularly for community bids for smaller projects. The timescale for making the bid is too short and the waiting time for hearing whether or not a bid has been successful causes difficulties; for example, the bid needs to be accompanied by three quotations of cost but they are likely to be out of date by the time the applicant hears back from MSDC. Could an element to cover cost inflation be included? MSDC retain a percentage for administering the process, yet Parish Councils, for instance, are expected to meet all their costs in administering the process. The cost of preparing designs and a planning application is significant in many cases and cannot be covered by the CIL bid.

Local Councils and community groups need to be made more aware of the CIL process and there needs to be a clearer definition of infrastructure to avoid bids being made for repair and maintenance. There should be more encouragement to Parish Councils to prepare Parish Infrastructure Improvement Plans which could then form the basis of CIL bids. District Councillors have a role in promoting CIL to community groups but are all members fully briefed? The committee felt that the bidding process needed to be extended; a bidding window of one month is considered insufficient.

Members of the committee were not persuaded that bus stop provision should come from CIL rather than the SCC budget. In respect of large school extensions, SCC are of the view that CIL should cover design and planning stages, not just the construction cost. Members queried why CIL should fund the whole cost of school extensions with no contribution from SCC funds. Furthermore, the process and application form are not considered appropriate for such major schemes.

Homelessness Reduction Act 2017 – Review of the first six months

Officers were congratulated on the detail in their report and for their work in dealing with a large increase in workload, which has more than doubled. Extra resources have been in place for a few months and staff are 'coping'. As funding from central government reduces, the future is unclear. The committee were assured that the Cabinet Member regularly reviews workload of the Team.

Homelessness Prevention Fund Policy

Members were asked to comment on a draft report for the Homelessness Prevention Fund Policy – historically a fund used to prevent someone becoming homeless. Again, officers were commended for the clarity of the report which explained why the current policy is out of date. Members agreed that the draft policy proposed within the report is acceptable.

Community Strategy Engagement Policy

Members considered an officer report setting out a suggested process for engagement to produce data and views to enable a draft strategy to be written. It was agreed that focussed discussions with various groups would be a suitable way forward but pointed out that care must be taken to ensure that the views of young people and hard to reach individuals and groups are sought and taken into account early in the process.

Mid Suffolk Overview and Scrutiny Committee

Also on 19 November, at a separate meeting, the Mid Suffolk Overview and Scrutiny Committee received a presentation on proposals for the development of the former HQ site and the Middle School site in Needham Market. Due to the confidential nature of the details contained within the officers' presentation, the public were excluded to allow a full discussion, at the end of which a recommendation was drafted for consideration at Cabinet on 10 December.

Keith Welham

Chair, Mid Suffolk Overview and Scrutiny Committee

Agenda Item 10a

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

COMMITTEE: Joint Audit and Standards Committee	REPORT NUMBER: JAC/18/8
FROM: Katherine Steel, Assistant Director, Corporate Resources	DATE OF MEETING: 12 November 2018
OFFICER: Melissa Evans, Corporate Manager Finance; Sue Palmer, Senior Financial Services Officer	KEY DECISION REF NO. N/A

HALF YEAR REPORT ON TREASURY MANAGEMENT 2018/19

1. PURPOSE OF REPORT

- 1.1 The report is part of the Councils' management and governance arrangements for Treasury Management activity under the CIPFA Code of Practice on Treasury Management ("the Code"). It provides Members with a comprehensive assessment of activities for the first six months of the financial year 2018/19.
- 1.2 The report specifically sets out the performance of the treasury management function, the effects of the decisions taken, and the transactions executed during the first six months of 2018/19 and any circumstances of non-compliance with the Councils' treasury management policy statement and treasury management practices.

2. OPTIONS CONSIDERED

- 2.1 This report fulfils the Councils' legal obligations to have regard to the Code and there are no options to consider.

3. RECOMMENDATION TO BOTH COUNCILS

- 3.1 That the Treasury Management activity for the first six months of 2018/19 as set out in Paper JAC/18/8 and Appendices be noted.

RECOMMENDATION TO BABERGH COUNCIL

- 3.2 That it be noted that Babergh District Council Treasury Management activity for the first six months of 2018/19 was in accordance with the approved Treasury Management Strategy, and that the Council has complied with all the Treasury Management Indicators for this period.

RECOMMENDATION TO MID SUFFOLK COUNCIL

- 3.3 That it be noted that Mid Suffolk District Council Treasury Management activity for the first six months of 2018/19 was in accordance with the approved Treasury Management Strategy, and that the Council has complied with all the Treasury Management Indicators for this period.

REASON FOR DECISION

It is a requirement of the Code of Practice on Treasury Management that full Council notes the Mid Year position.

4. KEY INFORMATION

- 4.1 The 2018/19 Treasury Management Strategy for both Councils was approved in February 2018.
- 4.2 The Strategy and activities are affected by a number of factors, including the regulatory framework, economic conditions, best practice and interest rate/liquidity risk. The attached appendices summarise the regulatory framework, economic background and information on key activities for the first six months of 2018/19.
- 4.3 The Joint Treasury Management outturn report for 2017/18 was presented to Members at the Joint Audit and Standards Committee on 30 July 2018.
- 4.4 The Section 151 Officer is pleased to report that all treasury management activities undertaken complied fully with the CIPFA Code of Practice and the Councils' approved Treasury Management Strategy.
- 4.5 The Treasury Management Indicators aim to ensure that the capital investments of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice.
- 4.6 Appendix D shows the position on key Treasury Management Indicators for the first six months of 2018/19.
- 4.7 The following key points relating to activity for the first half of the year are set out below:
- UK labour market data for July 2018 showed unemployment rate at 4%, its lowest since 1975. However real wages (adjusted for inflation) grew only by 0.2%.
 - GDP growth in Q2 of 0.4% appeared to overturn the weakness in Q1 but details show this growth was attributed to an increase in inventories.
 - The Bank of England raised the official Bank Rate by 0.25% to 0.75% in August 2018.
 - Investment of surplus funds - As market conditions, credit ratings and Bank ring fencing have changed during the year, institutions that the Councils invest with and the period of the investments have been reviewed.
 - Credit risk scores were within the benchmark A- credit ratings.
 - Babergh's debt reduced by £3.25m due to income exceeding expenditure, which is the normal cash flow profile.
 - Mid Suffolk's overall debt increased by £12.85m mainly due to the £16m investment in non-treasury investments (Gateway 14 Ltd). This was offset by the repayment of £3m short term borrowing.

- 4.8 In terms of the investment of surplus funds Appendix A sets out the issues that are impacting on current and future activity.
- 4.9 Money market funds, short-term deposits and call accounts are used to make short term investments on a daily basis
- 4.10 Babergh District Council and Mid Suffolk District Council have maintained strategic investments in Pooled funds whilst reducing their investment in Funding Circle.

5. LINKS TO JOINT STRATEGIC PLAN

- 5.1 Ensuring that the Councils have the resources available underpins the ability to achieve the priorities set out in the Joint Strategic Plan.

6. FINANCIAL IMPLICATIONS

- 6.1 As outlined in this report and appendices.

7. LEGAL IMPLICATIONS

- 7.1 There are no legal implications arising from this report.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Councils’ Significant Business Risk no 5e. “If we do not understand our financial position and respond in a timely and effective way, then we will be unable to deliver the entirety of the Joint Strategic Plan”.
- 8.2 The key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the Councils lose the investments this will impact on their ability to deliver services.	Highly Unlikely (1)	Bad (3)	Strict lending criteria for high credit rated institutions.
If the Councils achieve a poor return on investments, there will be fewer resources available to deliver services.	Highly Probable (4)	Noticeable (2)	Focus is on security and liquidity, and careful cash flow management in accordance with the TM Strategy is undertaken throughout the year.
If the Councils have liquidity problems, then they will be unable to meet their short-term liabilities.	Unlikely (2)	Noticeable (2)	As above.

Risk Description	Likelihood	Impact	Mitigation Measures
If the Councils incur higher than expected borrowing costs, there will be fewer resources available to deliver services.	Unlikely (2)	Noticeable (2)	Benchmark is to borrow from the Public Works Loan Board (PWLB), whose rates are very low and can be on a fixed or variable basis. Research lowest rates available within borrowing boundaries and use other sources of funding and internal surplus funds temporarily.

9. CONSULTATIONS

9.1 Regular meetings have taken place with the Councils' Treasury advisors, Arlingclose, who also provide important updates on treasury management issues as they arise.

10. EQUALITY ANALYSIS

10.1 There are no equality and diversity implications, as the contents and recommendations of this report do not impact on those with protected characteristics.

11. ENVIRONMENTAL IMPLICATIONS

11.1 There are no environmental implications related to this report.

12. APPENDICES

Title	Location
(a) Background, Economy and Outlook	Attached
(b) Borrowing Strategy	Attached
(c) Investment Activity	Attached
(d) Treasury Management indicators	Attached
(e) Glossary of Terms	Attached

13. BACKGROUND DOCUMENTS

13.1 CIPFA's Code of Practice on Treasury Management ("the Code").

13.2 Joint Treasury Management Strategy 2018/19 (Paper JAC17/15).

Background, Economy and Outlook

1. Introduction

- 1.1 In February 2012 both Councils adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Councils to approve treasury management midyear and annual reports.
- 1.2 The Joint Treasury Management Strategy for 2018/19 was approved at both full Councils in February 2018. Babergh District Council and Mid Suffolk District Council have borrowed and invested substantial sums of money and both are therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Councils' Treasury Management Strategy.
- 1.3 Following consultation in 2017, CIPFA published new versions of the Prudential Code for Capital Finance in Local Authorities (Prudential Code) and the Treasury Management Code of Practice but has yet to publish the local authority specific Guidance Notes to the latter. The Ministry of Housing, Communities & Local Government (MHCLG) published its revised Investment Guidance which came into effect from April 2018.
- 1.4 The updated Prudential Code includes a new requirement for local authorities to provide a Capital Strategy, which is to be a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. Babergh District Council and Mid Suffolk District Council will be producing its Capital Strategy later in 2018/19 for approval by full Council.

2. External Context

2.1 Economic background:

- 2.1.1 Oil prices rose by 23% over the six months to around \$82/barrel. UK Consumer Price Inflation (CPI) for August rose to 2.7% year on year, above the consensus forecast and that of the Bank of England in its August Inflation Report, as the effects of sterling's large depreciation in 2016 began to fade. The most recent labour market data for July 2018 showed the unemployment rate at 4%, its lowest since 1975. The 3-month average annual growth rate for regular pay, i.e. excluding bonuses, was 2.9% providing some evidence that a shortage of workers is providing support to wages. However real wages (i.e. adjusted for inflation) grew only by 0.2%, a marginal increase unlikely to have had much effect on households.
- 2.1.2 The rebound in quarterly GDP growth in Q2 to 0.4% appeared to overturn the weakness in Q1 which was largely due to weather-related factors. However, the detail showed much of Q2 GDP growth was attributed to an increase in inventories. Year on year GDP growth at 1.2% also remains below trend. The Bank of England made no change to monetary policy at its meetings in May and June, however hawkish minutes and a 6-3 vote to maintain rates was followed by a unanimous decision for a rate rise of 0.25% in August, taking the Bank Rate to 0.75%.

- 2.1.3 Having raised rates in March, the US Federal Reserve again increased its target range of official interest rates in each of June and September by 0.25% to the current 2%-2.25%. Markets now expect one further rise in 2018.
- 2.1.4 The escalating trade war between the US and China as tariffs announced by the Trump administration appeared to become an entrenched dispute, damaging not just to China but also other Asian economies in the supply chain. The fallout, combined with tighter monetary policy, risks contributing to a slowdown in global economic activity and growth in 2019.
- 2.1.5 The EU Withdrawal Bill, which repeals the European Communities Act 1972 that took the UK into the EU and enables EU law to be transferred into UK law, narrowly made it through Parliament. With just six months to go when Article 50 expires on 29 March 2019, neither the Withdrawal Agreement between the UK and the EU which will be legally binding on separation issues and the financial settlement, nor its annex which will outline the shape of their future relationship, have been finalised, extending the period of economic uncertainty.
- 2.2 Financial markets:**
- 2.2.1 Gilt yields displayed marked volatility during the period, particularly following Italy's political crisis in late May when government bond yields saw sharp moves akin to those at the height of the European financial crisis with falls in yield in safe-haven UK, German and US government bonds. Over the period, despite the volatility, the net change in gilt yields was small. The 5-year benchmark gilt only rose marginally from 1.13% to 1.16%. There was a larger increase in 10-year gilt yields from 1.37% to 1.57% and in the 20-year gilt yield from 1.74% to 1.89%. The increase in Bank Rate resulted in higher money markets rates. 1-month, 3-month and 12-month LIBID rates averaged 0.56%, 0.70% and 0.95% respectively over the period.
- 2.3 Credit background:**
- 2.3.1 Reflecting its perceived higher risk, the Credit Default Swap (CDS) spread for non-ringfenced bank NatWest Markets plc rose relatively sharply over the period to around 96bps. The CDS for the ringfenced entity, National Westminster Bank plc, has held steady below 40bps. Although the CDS of other UK banks rose marginally over the period, they continue to remain low compared to historic averages.
- 2.3.2 The ringfencing of the big four UK banks - Barclays, Bank of Scotland/Lloyds, HSBC and RBS/NatWest Bank plc – is complete, the transfer of their business lines into retail (ringfenced) and investment banking (non-ringfenced) is progressing and will need to be completed by the end of 2018.

2.3.3 There were a few credit rating changes during the period. Moody's downgraded Barclays Bank plc's long-term rating to A2 from A1 and NatWest Markets plc to Baa2 from A3 on its view of the credit metrics of the entities post ringfencing. Upgrades to long-term ratings included those for Royal Bank of Scotland plc, NatWest Bank and Ulster Bank to A2 from A3 by Moody's and to A- from BBB+ by both Fitch and Standard & Poor's (S&P). Lloyds Bank plc and Bank of Scotland plc were upgraded to A+ from A by S&P and to Aa3 from A1 by Moody's.

2.3.4 The Councils' treasury advisor Arlingclose will henceforth provide ratings which are specific to wholesale deposits including certificates of deposit, rather than provide general issuer credit ratings. Non-preferred senior unsecured debt and senior bonds are at higher risk of bail-in than deposit products, either through contractual terms, national law, or resolution authorities' flexibility during bail-in. Arlingclose's creditworthiness advice will continue to include unsecured bank deposits and Certificates of Deposits (CDs) but not senior unsecured bonds issued by commercial banks.

3 Outlook for the remainder of 2018/19:

3.1 Having raised interest rates in August 2018 to 0.75%, the Bank of England's Monetary Policy Committee (MPC) has maintained expectations of a slow rise in interest rates over the forecast horizon.

3.2 The MPC has a definite bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. While policymakers are wary of domestic inflationary pressures over the next two years, it is believed that the MPC members consider both that (a) ultra-low interest rates result in other economic problems, and that (b) higher Bank Rate will be a more effective weapon should downside Brexit risks crystallise and cuts are required.

3.3 Arlingclose's central case is for Bank Rate to rise twice in 2019. The risks are weighted to the downside. The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in Q2 of 2018, but the annual growth rate of 1.2% remains well below the long-term average

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
Official Bank Rate													
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Ca:	0.75	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Downside risk	0.00	0.00	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

3.4 The view is that the UK economy still faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. Central bank actions and geopolitical risks, such as prospective trade wars, have and will continue to produce significant volatility in financial markets, including bond markets.

4 Local Context

- 4.1 On 31 March 2018, Babergh District Council had net borrowing of £93.520m and Mid Suffolk District Council had net borrowing of £107.563m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.
- 4.2 The Councils' current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

4.3 Table 1: Balance Sheet Summary

Balance Sheet Summary	31.3.18 Babergh £m	31.3.18 Mid Suffolk £m
General Fund CFR	31.170	35.818
HRA CFR	86.848	86.759
Total CFR	118.018	122.577
(Less): Usable reserves	(27.081)	(30.736)
(Less) / Add: Working capital	2.583	15.722
Net borrowing	93.520	107.563

- 4.4 The treasury management position at 30 September 2018 and the change during the half year is show in Table 2 below.

4.5 Table 2: Treasury Management Summary

Babergh	31.3.18 Balance £m	Movement £m	30.9.18 Balance £m	30.9.18 Rate %
Long-term borrowing	86.297	(0.250)	86.047	3.29%
Short-term borrowing	12.000	(3.000)	9.000	0.75%
Total borrowing	98.297	(3.250)	95.047	
Long-term investments	9.638	(0.208)	9.430	5.50%
Short-term investments	1.000	(0.250)	0.750	0.51%
Cash and Cash equivalents	1.445	(0.442)	1.003	0.48%
Total Investments	12.083	(0.900)	11.183	
Net borrowing	86.214		83.864	

Appendix A cont'd

Mid Suffolk	31.3.18 Balance £m	Movement £m	30.9.18 Balance £m	30.9.18 Rate %
Long-term borrowing	74.087	15.850	89.937	2.99%
Short-term borrowing	29.000	(3.000)	26.000	0.73%
Total borrowing	103.087	12.850	115.937	
Long-term investments	9.642	(0.219)	9.423	5.46%
Short-term investments	1.500	(1.500)	0.000	0.55%
Cash and Cash equivalents	0.894	0.370	1.264	0.43%
Total Investments	12.036	(1.349)	10.687	
Net borrowing	91.051		105.250	

1 Borrowing Strategy

1.1 At 30 September 2018 Babergh held £95.047m of loans, a decrease of £3.25m, Mid Suffolk held £115.937m of loans, an increase of £12.85m as part of its strategy for funding previous years' capital programmes and investment in the Gateway 14 Ltd project. The borrowing position at 30 September 2018 is shown in Table 3 below.

1.2 Table 3: Borrowing Position

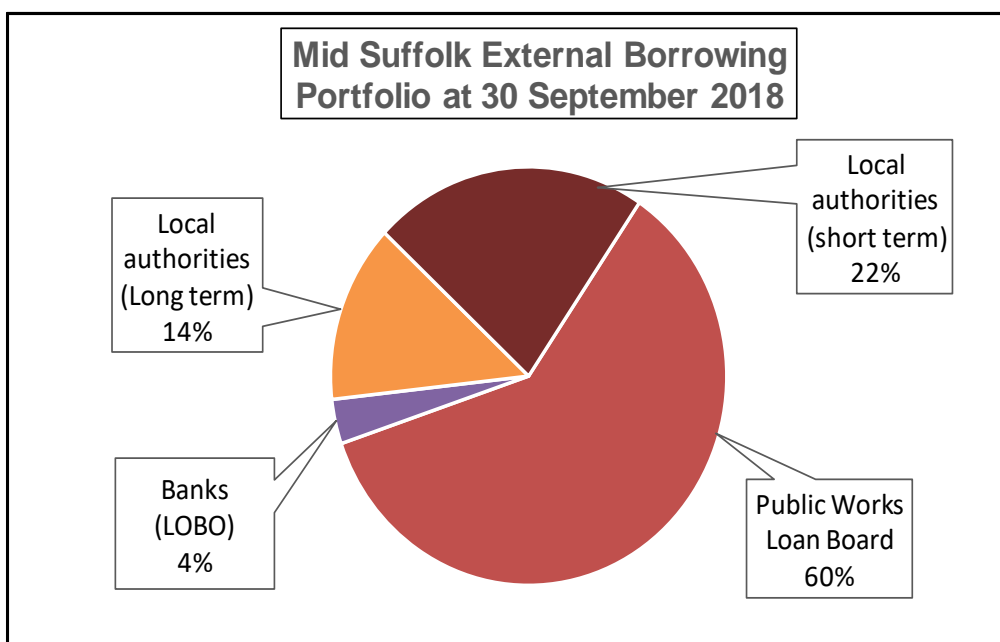
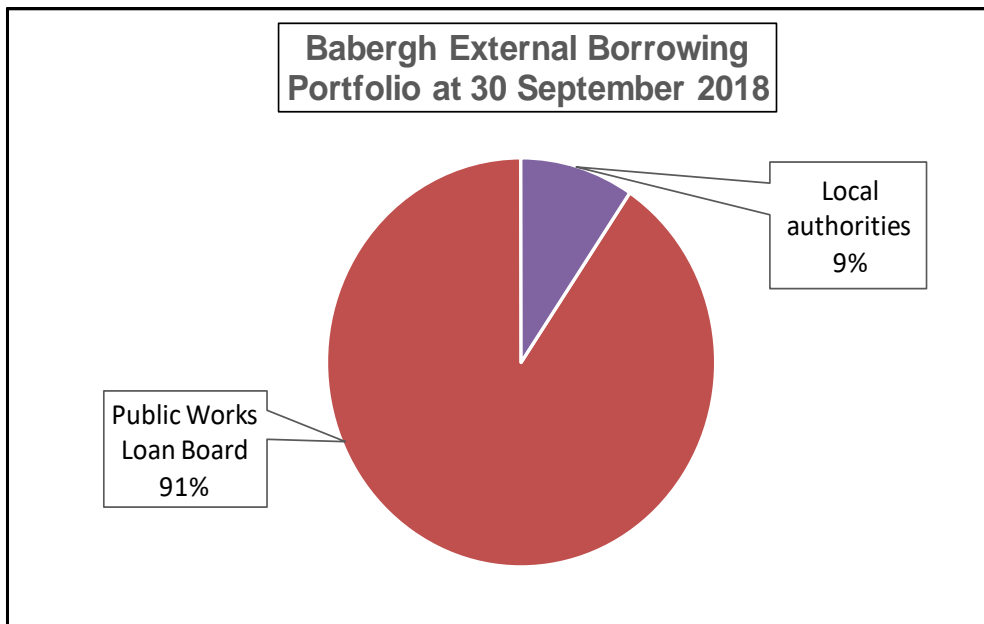
Babergh	31.3.18 Balance	Movement	30.9.18 Balance	30.9.18 Weighted Average Rate
	£m	£m	£m	%
Public Works Loan Board	86.297	(0.250)	86.047	3.29%
Local authorities (short term)	12.000	(3.000)	9.000	0.75%
Total borrowing	98.297	(3.250)	95.047	

Mid Suffolk	31.3.18 Balance	Movement	30.9.18 Balance	30.9.18 Weighted Average Rate
	£m	£m	£m	%
Public Works Loan Board	70.087	(0.150)	69.937	3.56%
Banks (LOBO)	4.000	0.000	4.000	4.21%
Local authorities (Long term)	0.000	16.000	16.000	1.20%
Local authorities (short term)	29.000	(3.000)	26.000	0.73%
Total borrowing	103.087	12.850	115.937	

- 1.3 The Councils' chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Councils' long-term plans change being a secondary objective.
- 1.4 With short-term interest rates remaining much lower than long-term rates, the Councils considered it more cost effective in the near term to use internal resources or short-term loans instead.
- 1.5 As the Councils have increasing CFR's due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital, Mid Suffolk borrowed £16m medium/longer-term fixed rate loans to provide some longer-term certainty and stability to the debt portfolio and stay within short term borrowing limits.

1.6 LOBO loans: Mid Suffolk continues to hold £4m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during the first half year of 2018/19.

1.7 The Councils' Borrowing Portfolios at 30 September 2018 below:



1 Investment Activity

- 1.1 The Councils hold invested funds, representing income received in advance of expenditure plus balances and reserves held. During the first half of 2018/19, Babergh's investment balance ranged between £11.183m and £18.926m. Mid Suffolk's investment balance ranged between £10.687m and £32.354m. These movements are due to timing differences between income and expenditure.

The investment position and weighted average rates during the first six months of the year is shown in Table 4 below.

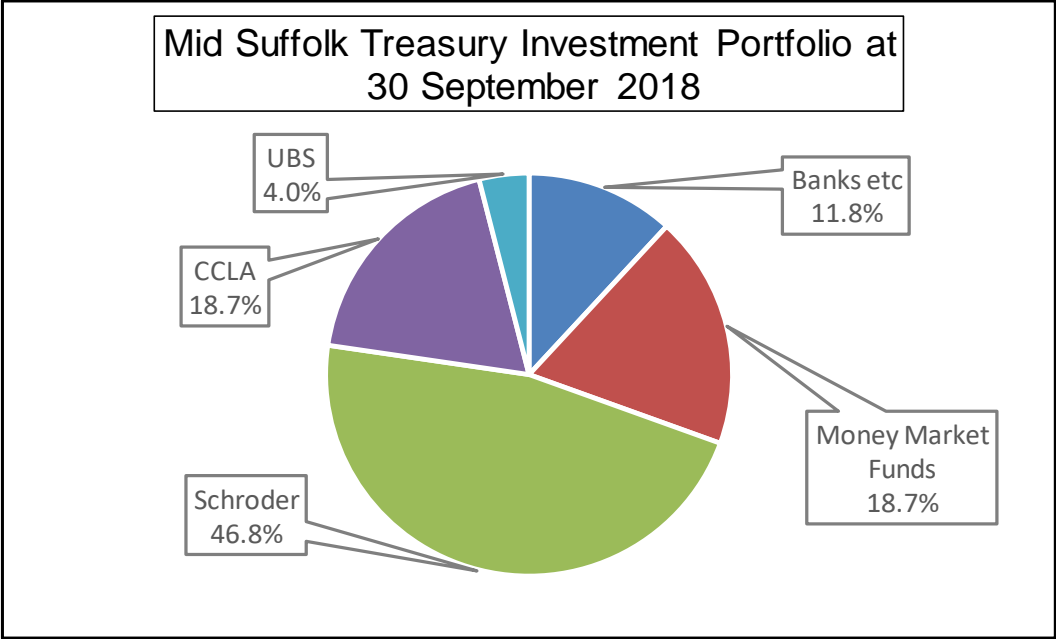
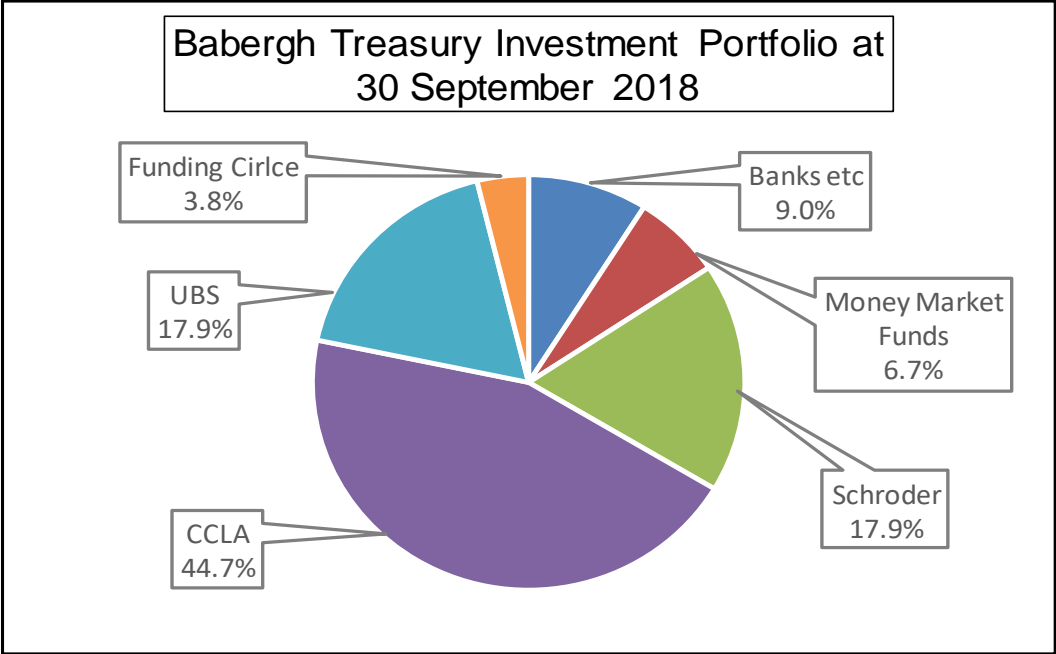
1.2 Table 4: Treasury Investment Position

Babergh	31.3.18 Balance	Movement	30.9.18 Balance	30.9.18 Weighted Average Rate
	£m	£m	£m	%
Banks and Building Societies	1.445	(0.442)	1.003	0.48%
Money Market Funds	1.000	(0.250)	0.750	0.51%
Other Pooled Funds	9.638	(0.208)	9.430	5.50%
Total Investments	12.083	(0.900)	11.183	

Mid Suffolk	31.3.18 Balance	Movement	30.9.18 Balance	30.9.18 Weighted Average Rate
	£m	£m	£m	%
Banks and Building Societies	0.894	0.370	1.264	0.43%
Money Market Funds	1.500	(1.500)	0.000	0.55%
Other Pooled Funds	9.642	(0.219)	9.423	5.46%
Total Investments	12.036	(1.349)	10.687	

- 1.3 Both the CIPFA Code and government guidance require the Councils to invest their funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Councils' objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 1.4 Given the increasing risk and falling returns from short-term unsecured bank investments, the Councils diversified into more higher yielding asset classes; pooled property, multi asset and equity funds. As a result, investment risk was diversified while the average rate of return has increased. The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 that follows.

1.5 The Councils' Investment Portfolios at 30 September 2018 below:



1.6 **Table 5: Investment Benchmarking – Treasury investments managed in-house**

Babergh	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return
31.03.2018	6.21	A	85%	164	5.10%
30.06.2018	5.55	A	91%	119	5.30%
30.09.2018	5.71	A	85%	185	5.23%
Similar LAs	4.28	AA-	56%	88	1.41%
All LAs	4.38	AA-	60%	37	1.25%

Mid Suffolk	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return
31.03.2018	5.85	A	85%	158	5.08%
30.06.2018	5.43	A+	93%	95	4.97%
30.09.2018	5.88	A	81%	232	5.43%
Similar LAs	4.28	AA-	56%	88	1.41%
All LAs	4.38	AA-	60%	37	1.25%

- 1.7 Babergh has £9.430m of externally managed pooled equity, property and multi assets funds which generated an average total income return, since the date of the initial investments, of £1.172m (5.10%) which is used to support service provision.
- 1.8 Mid Suffolk has £9.423m of externally managed pooled equity, property and multi assets funds which generated an average total income return, since the date of the initial investments, of £1.031m (5.08%) which is used to support service provision.
- 1.9 These funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Councils' investment objectives are regularly reviewed. In light of their performance and the Councils' latest cash flow forecasts, investment in these funds has been maintained.
- 1.10 During the year the Ministry of Housing, Communities and Local Government (MHCLG) consulted on statutory overrides relating to the IFRS 9 Financial Instruments accounting standard from 2018/19. The consultation recognised that the requirement in IFRS 9 for certain investments to be accounted for as fair value through profit and loss may introduce "more income statement volatility" which may impact on budget calculations. The consultation proposed a time-limited statutory override and sought views whether it should be applied only to pooled property funds. Both Councils responded to the consultation which closed on 28 September 2018.

2 Long Term investments – Pooled Fund Performance

2.1 Babergh and Mid Suffolk both have investments in pooled funds to generate an income return. Table 6 below is a summary of performance by fund from initial investment date until the most recent return valuation available and details of interest received.

2.2 Table 6: Pooled Fund Performance

Fund	Babergh	Mid Suffolk
	£	£
CCLA		
Amount invested	5,000,000	5,000,000
Value at 30.9.2018	4,953,434	4,876,817
Movement	(46,566)	(123,183)
Net Interest earned to 30.9.2018	689,343	642,198
Average return	4.47%	4.40%
UBS		
Amount invested	2,000,000	2,000,000
Value at 30.9.2018	1,983,483	1,983,483
Movement	(16,517)	(16,517)
Interest earned to 30.6.2018	213,611	117,416
Average return	3.88%	3.91%
Schroders		
Amount invested	2,000,000	2,000,000
Value at 30.9.2018	1,932,337	1,928,922
Movement	(67,663)	(71,078)
Interest earned to 30.5.2018	191,334	191,334
Average return	7.65%	7.65%
Funding Circle		
Amount invested	429,927	422,757
Value at 8.10.2018	415,012	399,523
Movement	(14,914)	(23,234)
Interest earned to 30.6.2018	77,237	80,142
Average return	5.97%	5.83%
Total Pooled Funds		
Amount invested	9,429,927	9,422,757
Values	9,284,266	9,188,745
Movement	(145,661)	(234,012)
Interest earned	1,171,525	1,031,090
Average return	5.10%	5.08%

3 Other Investment Activity

- 3.1 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Councils as well as other non-financial assets which the Councils hold primarily for financial return. This is replicated in MHCLG's Investment Guidance, in which the definition of investments is further broadened to include all such assets held partially for financial return.
- 3.2 On 5 August 2016 Babergh purchased Borehamgate Shopping centre in Sudbury for £3.56m. This has been classified as an investment property and on 31 March 2018, the District Valuer assessed its Fair Value at £3.5m, generating rental returns of £0.072m to 30 September 2018.
- 3.3 Babergh holds £1.766m of equity in Babergh Holdings Ltd and has £15.898m of loans in Capital Investment Fund Company (CIFCO), a subsidiary of Babergh Holdings Ltd. These loans have generated £0.410m of investment income since the start of trading.
- 3.4 Mid Suffolk holds £1.766m of equity in Mid Suffolk Holdings Ltd and has £15.898m of loans in Capital Investment Fund Company (CIFCO), a subsidiary of Mid Suffolk Holdings Ltd. These loans have generated £0.410m of investment income since the start of trading.
- 3.5 Mid Suffolk also holds £16.178m of investment in another subsidiary of Mid Suffolk Holdings Ltd, Gateway 14 Ltd, which has generated £0.099m of accrued investment income since 13 August 2018.

4 Table 7: Debt Limits

- 4.1 Compliance with the authorised limit and operational boundary for external debt is demonstrated in Table 7 below.

Borrowing	Actual Maximum	30.9.18 Actual	2018/19 Operational Boundary	2018/19 Authorised Limit	Complied
Babergh	£98.297m	£95.047m	£138m	£148m	✓
Mid Suffolk	£118.087m	£115.937m	£156m	£166m	✓

- 4.2 Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure

5 Compliance

- 5.1 The Section 151 Officer is pleased to report that all treasury management activities undertaken complied fully with the CIPFA Code of Practice and the Councils' approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in Table 8 that follows.

5.2 **Table 8: Investment Limits**

Babergh	Actual Maximum	30.9.18 Actual	2018/19 Limit	Complied
Lloyds Bank	£1.848m	£1.003m	£2m	✓
Money market funds	44.91%	6.71%	50%	✓
DMADF	Nil	Nil	No limit	✓
CCLA	£5m	£5m	£5m	✓
UBS	£2m	£2m	£5m	✓
Schroder	£2m	£2m	£5m	✓
Funding Circle	£0.638m	£0.430m	£1m	✓

Mid Suffolk	Actual Maximum	30.9.18 Actual	2018/19 Limit	Complied
Lloyds Bank	£1.927m	£1.264m	£2m	✓
Barclays Bank	£0.500m	Nil	£2m	✓
Svenska Handelsbanken	Nil	Nil	£2m	✓
Money market funds	35.63%	0.00%	50%	✓
DMADF	£15.500m	Nil	No limit	✓
CCLA	£5m	£5m	£5m	✓
UBS	£2m	£2m	£5m	✓
Schroder	£2m	£2m	£5m	✓
Funding Circle	£0.642m	£0.423m	£1m	✓

1 Treasury Management Indicators

1.1 The Councils measure and manage their exposure to treasury management risks using the following indicators.

1.2 **Security:** The Councils have adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of their investment portfolios. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Portfolio Average Credit Score	30.9.18 Actual	2018/19 Target	Complied
Babergh	5.71	7.0	✓
Mid Suffolk	5.88	7.0	✓

1.3 **Interest Rate Exposures:** This indicator is set to control the Councils' exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net principal borrowed was:

Babergh	30.9.18 Actual	2018/19 Target	Complied
Upper limit on fixed interest rate exposure	£86.047m	£136m	✓
Upper limit on Variable interest rate exposure	(£2.183m)	£35m	✓

Mid Suffolk	30.9.18 Actual	2018/19 Target	Complied
Upper limit on fixed interest rate exposure	£89.937m	£154m	✓
Upper limit on Variable interest rate exposure	£15.313m	£40m	✓

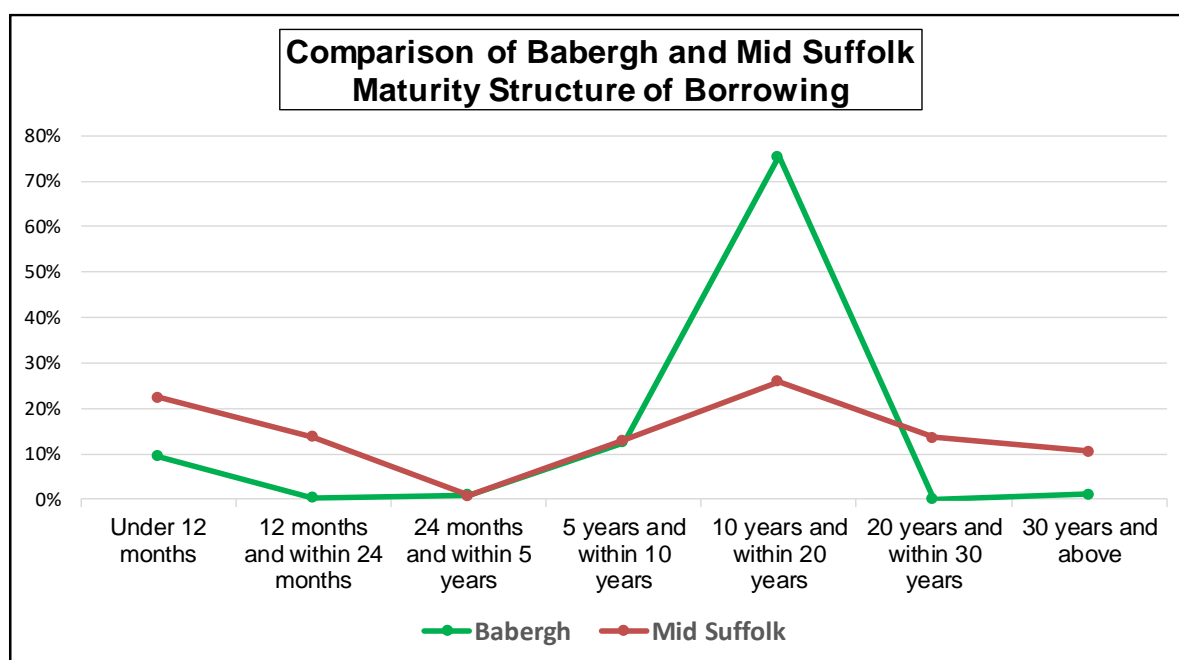
1.4 Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

1.5 **Maturity Structure of Borrowing:** This indicator is set to control the Councils' exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Babergh	30.9.18 Actual	Lower Limit	Upper Limit	Complied
Under 12 months	9.47%	0	50%	✓
12 months and within 24 months	0.42%	0	50%	✓
24 months and within 5 years	0.95%	0	50%	✓
5 years and within 10 years	12.63%	0	100%	✓
10 years and within 20 years	75.38%	0	100%	✓
20 years and within 30 years	0.00%	0	100%	✓
30 years and above	1.16%	0	100%	✓

Mid Suffolk	30.9.18 Actual	Lower Limit	Upper Limit	Complied
Under 12 months	22.43%	0	50%	✓
12 months and within 24 months	13.80%	0	50%	✓
24 months and within 5 years	0.78%	0	50%	✓
5 years and within 10 years	12.94%	0	100%	✓
10 years and within 20 years	25.88%	0	100%	✓
20 years and within 30 years	13.55%	0	100%	✓
30 years and above	10.64%	0	100%	✓

1.6 Chart to show the Maturity Structure of Borrowing:



1.7 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

1.8 **Principal Sums Invested for Periods Longer than 365 days:** The purpose of this indicator is to control the Councils' exposure to the risk of incurring losses by seeking early repayment of their investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Actual Principal invested beyond year end	2018/19	2019/20	2020/21
Babergh Actual	Nil	Nil	Nil
Mid Suffolk Actual	Nil	Nil	Nil
Limit on principal invested beyond year end	£2m	£2m	£2m
Babergh Complied	✓	✓	✓
Mid Suffolk Complied	✓	✓	✓

Glossary of Terms

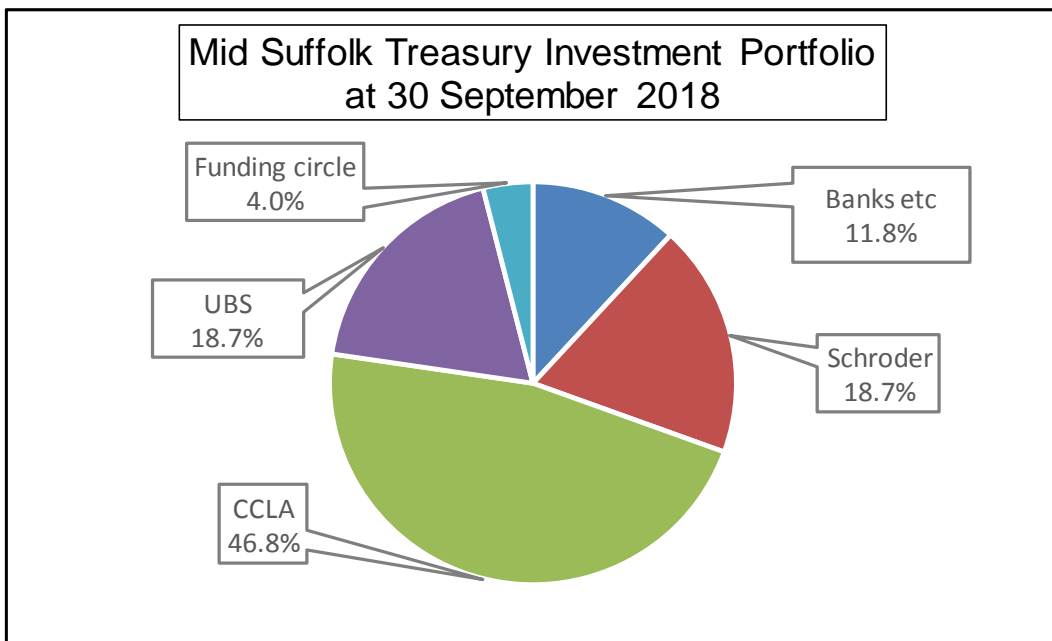
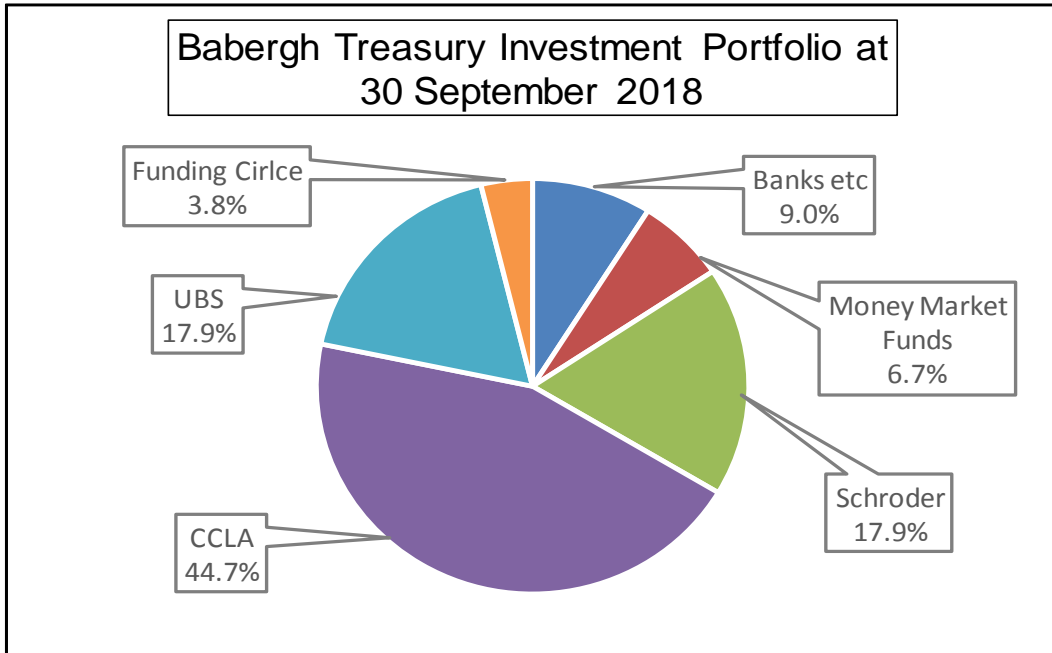
BPS	Base Points. A unit of percentage measure equal to 0.01%. Basis points are commonly used when discussing changes to interest rates, equity indices, and fixed-income securities.
CDS	Credit Default Swap. In effect, insurance against non-payment. Through a CDS, the buyer can mitigate the risk of their investment by shifting all or a portion of that risk onto an insurance company or other CDS seller in exchange for a periodic fee. In this way, the buyer of a credit default swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the debt security.
CFR	Capital Financing Requirement. The underlying need to borrow to finance capital expenditure.
CIPFA	The Chartered Institute of Public Finance and Accountancy. This is the leading professional accountancy body for public services.
CLG	Department for Communities and Local Government. This is a ministerial department.
CPI	Consumer Price Index. This measures changes in the price level of consumer goods and services purchased by households.
CPIH	Consumer Price Index Housing. A measure of consumer price inflation including a measure of owner occupiers' housing costs (OOH).
CCLA	Churches, Charities and Local Authority Property Fund
DMADF	Debt Management Account Deposit Facility.
Funding Circle	Accounts set up to lend money to local and national businesses at competitive rates
GDP	Gross Domestic Product. This is the market value of all officially recognised goods and services produced within a country in a given period of time.
HRA	Housing Revenue Account. The statutory account to which revenue costs are charged for providing, maintaining and managing Council dwellings. These costs are financed by tenants' rents.
LIBID	London Interbank Bid Rate. The interest rate at which banks bid to take short-term deposits from other banks in the London interbank market.
LOBO	Lender's Option Borrower's Option. This is a loan where the lender has certain dates when they can increase the interest rate payable and, if they do, the Council has the option of accepting the new rate or repaying the loan
LVNAV	Low Volatility Net Asset Value. A new type of Low Volatility Net Asset Value Money Market Fund - a new fund category introduced as part of a new regulatory reform of the sector in Europe.

Appendix E cont'd

MiFiD	The Markets in Financial Instruments Directive (2014/65/EU) (MiFiD II). The EU legislation that regulates firms who provide services to clients linked to 'financial instruments' (shares, bonds, units in collective investment schemes and derivatives), and the venues where those instruments are traded.
MPC	Monetary Policy Committee. A committee of the Bank of England which decides the Bank of England's Base Rate and other aspects of the Government's Monetary Policy.
MRP	Minimum Revenue Provision. Local authorities are required to make a prudent provision for debt redemption on General Fund borrowing
NAV	Net Asset Value. The NAV is the value of a fund's assets less the value of its liabilities on a per unit basis.
PWLB	Public Works Loan Board - offers loans to local authorities below market rates.
QE	Quantitative Easing. The purchase of Government bonds by the Bank of England to boost the money supply.
T Bills	Treasury Bill. A short-term Government Bond.
UBS	UBS Multi Asset Income Fund (UK) – a pooled fund.

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1.5 The Councils' Investment Portfolios at 30 September 2018 below:



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Agenda Item 10b

MID SUFFOLK DISTRICT COUNCIL

TO: Council	REPORT NUMBER: MC/18/32
FROM: Licensing and Regulatory Committee	DATE OF MEETING: 19 December 2018
OFFICER: Lee Carvell – Corporate Manager Open for Business David Price – Licensing Officer	KEY DECISION REF NO. CNL11

GAMBLING ACT 2005: STATEMENT OF PRINCIPLES THREE YEARLY ADOPTION

1. PURPOSE OF REPORT

- 1.1 To ask Council to adopt the amended 'Statement of Principles' under the Gambling Act 2005 ('the Act').

2. OPTIONS CONSIDERED

- 2.1 Not applicable, Statutory consultation and readoption of a policy document.

3. RECOMMENDATION

- 3.1 That the draft revision Gambling Act 2005 'Statement of Principles' document as attached as Appendix A to this report be adopted, for publication and to take effect for three years (unless sooner revised) from 31 January 2019.

REASON FOR DECISION

Statutory requirement to review and readopt the Council's Gambling Policy.

4. KEY INFORMATION

- 4.1 The Licensing and Regulatory Committee considered this matter on 7 December 2018, in report MLR/18/4, and determined to recommend to Council that the amended 'Statement of Principles' be adopted.
- 4.2 As the matter is reserved for the Council of each Licensing Authority, the Council must resolve whether to adopt the 'Statement of Principles' version as attached as Appendix A, which sets out how the Council will exercise its functions under the Act.
- 4.3 Under section 349 of the Act, a Local Authority is required to review and republish its statement every 3 years. The latest review requires the revised document to be adopted and published on or by 3 January 2019, to take effect from 31 January 2019. The 'Statement of Principles' will be applied alongside the legislation and guidance published by the Gambling Commission (which in itself may be revised from time to time).

4.4 The decision to adopt the 'Statement of Principles' may only be taken by the Council and cannot be delegated to the Licensing and Regulatory Committee.

5. LINKS TO JOINT STRATEGIC PLAN

5.1 The Council's Gambling 'Statement of Principles' is the overarching set of principles which guide the Council in carrying out its Gambling licensing functions. The Statement balances sector business activity with relevant safeguards and protections, including social responsibility.

6. FINANCIAL IMPLICATIONS

6.1 This is a statutory function. The Licensing Team has to date undertaken the necessary preparatory and consultation work within existing resources.

6.2 The discretionary (self-set) fee elements that Mid Suffolk are permitted to charge under the Gambling Act 2005, have been set at the maxima permissible under the Gambling Act 2005 fee regulations. These fee levels were re-adopted by the Licensing and Regulatory Committee for the Council on 3 August 2018, under the authority delegated to this Committee by the Council.

7. LEGAL IMPLICATIONS/RISK MANAGEMENT

7.1 This report is most closely linked with the Council's Significant Business Risk No. 5F - Councils may be perceived to be untrustworthy and have a poor reputation. Operational risk 2AO1 - If licensing functions are not delivered within prescribed framework/local policy/timeframe, then businesses will be impacted and reputational harm/appeal likelihood will increase. Financial loss. Further Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to review, revise and re-consult upon the policy will result in legal challenge to Council decisions under the 2005 Act (including potentially by judicial review).	3 - Probable	3 - Bad	Review, revise and re-consult on the statement of principles in accordance with the requirements of the Act, regulations and statutory guidance.

8. CONSULTATIONS

8.1 This will be the fifth edition of the Council's 'Statement of Principles' under the Gambling Act 2005. The Licensing Team has the necessary experience, stakeholder contacts and networking in place to ensure that a wide and balanced consultation has taken place. The consultation took place over a period of six weeks, through various channels/media.

9. EQUALITY ANALYSIS

9.1 There are no equality implications arising directly from this report. This is a statutory revision to an existing policy. The Council recognises its obligations under the Equality Act 2010, in the exercise of its licensing functions, and has had due regard to any comments received during the policy consultation on equality issues.

10. ENVIRONMENTAL IMPLICATIONS

10.1 There are no direct Environmental Implications arising from this report.

11. APPENDICES

Title	Location
(a) Statement of Principles (2019-2022) - DRAFT	Attached
(b) Summary of changes made to the draft Statement of Principles document	Attached

12. BACKGROUND DOCUMENTS

12.1 Report MLR/18/4

12.2 The Gambling Act 2005

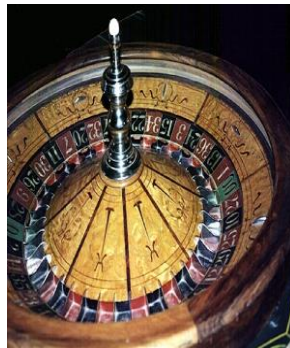
12.3 Gambling Commission's Guidance to Licensing Authorities 5th Edition September 2015 (as amended September 2016)

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MID SUFFOLK LICENSING AUTHORITY



GAMBLING ACT 2005: STATEMENT OF PRINCIPLES



Approved by Mid Suffolk District Council on X December 2018

Effective: 31 January 2019 until 31 January 2022
(Unless Revised Sooner)

Preface:

Core content of this '**Gambling Act 2005: Statement of Principles**' has been drafted in partnership by the seven district and borough Licensing Authorities across Suffolk with an aim of creating a broadly consistent Countywide document for the benefit of all stakeholders and others with an interest in the Gambling Act 2005 functions.

Section 349 of the Gambling Act 2005 requires all Licensing Authorities to prepare and publish a statement of principles that they propose to apply in exercising their functions under the Act during the three-year period to which the policy applies. This document is the fifth such statement for this Licensing Authority and must, by order of the Secretary of State, be published to take effect from 31 January 2019.

This document has been developed with due regard to all available regulations, conditions, codes of practice, statutory guidance, practical experience of legislation and any consultee responses. Should anything in future publications, legislative/regulatory changes or case law impact upon the content of this 'Statement of Principles' document, then it will be taken into account and the document may be updated at a later stage and with due consideration to the resource implications for the Licensing Authority.

All references made within this document to the Gambling Commission's Guidance for Licensing Authorities, and any extracts quoted thereof, refer to the fifth edition Guidance document published in September 2015 (as amended in September 2016).

For further information please refer to:

www.gamblingcommission.gov.uk

www.gov.uk

www.midsuffolk.gov.uk

Mid Suffolk District Council's website has an on-line public register, accessible 24 hours a day 7 days a week, for all Gambling Act 2005 matters for which it has responsibility. The Gambling Commission website gives details of both licensed and pending Gambling Operators.

GAMBLING ACT 2005: STATEMENT OF PRINCIPLES (FIFTH EDITION)

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PART A - GENERAL

1. The Licensing Objectives

- 1.1 In exercising most of its functions under the Gambling Act 2005, the Licensing Authority must have regard to the licensing objectives as set out in section 1 of the Gambling Act 2005 ('the Act'). The licensing objectives are:

- **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime.**
- **Ensuring that gambling is conducted in a fair and open way.**
- **Protecting children and other vulnerable persons from being harmed or exploited by gambling.**

The Gambling Commission has stated, with limited exceptions, the intention of the Gambling Act 2005 is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult only environments. The objective refers to protecting children from being 'harmed or exploited' by gambling. This means preventing them from taking part in gambling activities except limited authorised activities (see schedule D), and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children (excepting category D machines).

- 1.2 In accordance with section 153 of the Act, in making decisions about premises licences and temporary use notices the Licensing Authority should **aim to permit** the use of the premises for gambling purposes in so far as it thinks it is:
- in accordance with any relevant code of practice issued by the Gambling Commission;
 - in accordance with any relevant guidance issued by the Gambling Commission;
 - reasonably consistent with the licensing objectives; and
 - in accordance with the Authority's statement of principles.

2. Introduction

- 2.1 Mid Suffolk District Council is situated in the County of Suffolk, which contains seven District/Borough Councils in total.

Mid Suffolk lies in the heart of the Suffolk Countryside, to the north west of Ipswich. The District covers an area of 87,000 hectares, with a population of approximately 98,000, 69 of 123 parishes have a population below 500. It is the most sparsely populated of all seven districts in the county.

There are three market towns, (Stowmarket, Needham Market and Eye) but the majority of the population lives in the 123 parishes. These communities are long established, many with listed buildings, fine trees and open spaces. The fast growing

county town of Ipswich lies on the eastern border and forms one end of the hi-tech Cambridge corridor.

Map of Mid Suffolk District



The main gambling activities noted in the district since implementation of the Gambling Act 2005 are licensed off-course betting, gaming in alcohol licensed premises and members clubs (in the form of gaming machines, exempt and prescribed gaming), non-commercial gaming and small society lottery registrations.

- 2.2 Licensing Authorities are required by the Act to publish a statement of the principles, which they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from “time to time” and any amended parts must be re-consulted upon. Following any amendment and consultation, the revised statement will then be re-published.
- 2.3 Mid Suffolk District Council consulted widely upon this statement of principles before it was finalised and published. The Gambling Act 2005 requires that the following parties are consulted by Licensing Authorities:
 - The Chief Officer of Police;
 - One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority’s area; and

- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

A list of the persons consulted by the Licensing Authority is attached to this document as **Schedule A**.

The consultation took place between **31 August 2018 and 12 October 2018**.

The full list of comments made and the consideration by the Licensing Authority of those comments is available upon request by contacting:

Mid Suffolk District Council
Licensing Team, Endeavour House, 8 Russell Road, Ipswich, Suffolk IP1 2BX
 (☎ Tel: 0300 123 4000) e-mail: licensingteam@baberghmidsuffolk.gov.uk website:  www.midsuffolk.gov.uk

- 2.4 The statement of principles was approved at a meeting of the full Council of Mid Suffolk District Council on X December 2018 and was published on the Council website by X January 2019. Copies were placed in the public libraries within the District as well as being available at Council's Customer Access Points in Stowmarket and Sudbury. Should you have any comments concerning this document then please send them via e-mail or letter to the Licensing Team as above.
- 2.5 It should be noted that this statement of principles shall not override the right of any person to make an application, make representation about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.
- 2.6 Where revisions are made to the legislation or Guidance issued by the Gambling Commission, there may be a period of time when the local statement of principles is inconsistent with these revisions. In these circumstances, the Licensing Authority will have regard, and give appropriate weight, to the relevant changes, Guidance and its own statement of principles.

3. Declaration

- 3.1 In producing this statement of principles the Licensing Authority declares that it has had due regard to the licensing objectives of the Gambling Act 2005 (see 1.1 of this document above), the Guidance issued by the Gambling Commission, and any responses from those consulted on the statement of principles.

4. Responsible Authorities

- 4.1 The Licensing Authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the Licensing Authority about the protection of children from harm. The principles are:
- the need for the body to be responsible for an area covering the whole of the Licensing Authority's area; and

- the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

4.2 In accordance with the Gambling Commission Guidance for Licensing Authorities this Authority intends to designate the **Suffolk Safeguarding Children Board** for this purpose.

4.3 The contact details of all the Responsible Bodies under the Gambling Act 2005 are available via the Mid Suffolk District Council website at www.midsuffolk.gov.uk or available upon request to the Licensing Team.

5. Interested parties

5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. The Gambling Act 2005 defines interested parties as persons who:

- live sufficiently close to the premises to be likely to be affected by the authorised activities;
- have business interests that might be affected by the authorised activities; or
- represent persons who satisfy paragraph (a) or (b).

5.2 The Licensing Authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party (including whether a person lives sufficiently close to the premises. These principles are:

- each case will be decided upon its merits; and
- the Licensing Authority will not apply a rigid rule to its decision making. It may have regard to a number of factors, for example:
 - the size of the premises;
 - the nature of the premises (including activities the applicant proposes to provide);
 - the distance of the premises from the location of the person making the representation;
 - the potential impact of the premises such as the number of customers, route likely to be taken by those visiting the establishment;
 - the circumstances of the person who lives close to the premises. This is not their personal characteristics, but their interests which may be relevant to the distance from the premises; and
 - guidance from the Gambling Commission that “business interests” should be given the widest possible interpretation (see paragraph 8.14 of the Gambling Commission’s guidance).

5.3 Interested parties can be persons who are democratically elected such as county, parish and town councillors and MPs. Other than these persons, the Licensing Authority will normally require written evidence that a person ‘represents’ someone who either lives sufficiently close to the premises and likely to be affected by the authorised activities and/or business interests that might be affected by the authorised activities.

5.4 If individuals approach Councillors to ask them to represent their views then care should be taken that the Councillors are not subsequently appointed as part of a

Licensing Sub-Committee who may be involved with the determination of the licence application. If any further guidance is required, generally or in individual cases, then please contact the Licensing Team at Mid Suffolk District Council.

6. Exchange of Information

- 6.1 This Licensing Authority will, when exchanging information which it holds relating to gambling premises, permits and temporary permissions, apply the following principles:
- act in accordance with the provisions of the Gambling Act 2005;
 - comply with the Data Protection Act 2018;
 - comply with any relevant requirements of the Freedom of Information Act 2000;
 - have regard to Part 13 of the Guidance issued by the Gambling Commission on this matter and the Gambling Commission's publication '*Advice to Licensing Authorities on information exchange with the Gambling Commission*' (as may be periodically updated); and
 - any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.
- 6.2 Should any protocols be established pursuant to section 350 of the Act concerning information exchange with the other bodies as listed in Schedule 6(1) of the Act then these will be made available by the Licensing Authority.

7. Enforcement

- 7.1 Licensing Authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the Authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 This Licensing Authority's principles are that it will be guided by the Gambling Commission's Guidance (in particular Part 36), the Regulators' Code and its own Joint Corporate Enforcement Policy. The Authority shall endeavour to regulate in the public interest and be:
- **Proportionate:** regulators should only intervene when necessary and remedies should be appropriate to the risk posed, and costs identified and minimised;
 - **Accountable:** regulators must be able to justify decisions, and be subject to public scrutiny;
 - **Consistent:** rules and standards must be joined up and implemented fairly;
 - **Transparent:** regulators should be open, and keep regulations simple and user friendly; and
 - **Targeted:** regulation should be focused on the problem, and minimise side effects.
- 7.3 In accordance with the Gambling Commission's Guidance, the Licensing Authority will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 7.4 Any inspection programme, which may be adopted by the Licensing Authority, shall be risk-based and may be combined with other functions.
- 7.5 The enforcement and compliance role for the Licensing Authority under the Gambling Act 2005 is to ensure compliance with the Premises Licences and other permissions,

which it authorises. The Gambling Commission is the enforcement body for Operator and Personal Licences. Manufacture, supply or repair of gaming machines is dealt with by the Gambling Commission and not the Licensing Authority.

7.6 This Licensing Authority will also endeavour to work in partnership with and support local businesses, having due regard to the stated principles and any best practice guidelines/codes published by the Office for Product Safety and Standards, in respect of its responsibilities under the Gambling Act 2005 and other regulatory functions of the Local Authority. This includes that Regulators should:

- carry out their activities in a way that supports those they regulate to comply and grow;
- provide simple and straightforward ways to engage with those they regulate and hear their views;
- base their regulatory activities on risk;
- share information about compliance and risk;
- ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply; and
- ensure that their approach to their regulatory activities is transparent.

7.7 With due regard to the principle of transparency, any enforcement/compliance protocols or written agreements developed by the Licensing Authority shall be made available upon request to the Licensing Team.

7.8 In considering applications, and taking enforcement action, under the Gambling Act 2005 the Licensing Authority shall duly consider any Human Rights Act 1998 implications (in particular Article 1, Protocol 1 and Articles 6, 8 and 10).

8. Licensing Authority functions

8.1 The Act gives Licensing Authorities a number of important regulatory functions in relation to gambling, the main functions of which are to:

- Licence premises for gambling activities;
- Consider notices given for the temporary use of premises for gambling;
- Grant permits for gaming and gaming machines in clubs and miners' welfare institutes;
- Regulate gaming and gaming machines in alcohol-licensed premises;
- Grant permits to Family Entertainment Centres (FEC's) for the use of certain lower stake gaming machines;
- Grant permits for prize gaming;
- Consider occasional use notices for betting at tracks;
- Register small societies' lotteries;
- Consider applications for provisional statements;
- Provide information to the Gambling Commission regarding details of licences, permits, notices and registrations issued (see section 6 above on 'Exchange of Information');
- Maintain registers of the permits, notices and licences that are issued under these functions; and
- Prepare and publish, every three years (or sooner if required), a statement of the principles it proposes to apply when exercising its functions under the Gambling Act 2005.

Additions or amendments to the list above notified by the Gambling Commission will be published on the Council's Website.

- 8.2 Mid Suffolk District Council's summary of delegations adopted under the Gambling Act 2005 is available separately via the Council's website at www.midsuffolk.gov.uk or upon request to the Licensing Team.
- 8.3 It should be noted that local Licensing Authorities are not responsible for licensing remote gambling. This is the responsibility of the Gambling Commission.

9. Appeals

- 9.1 Appeals relating to premises licensing and other decisions by Licensing Authorities are covered within the relevant legislation and regulations and are referred to in Part 12 of the Gambling Commission's guidance.

PART B – PREMISES LICENCES

1. General Principles

- 1.1 Premises Licences are subject to the requirements set out in the Gambling Act 2005 and regulations. The Act provides that conditions may be attached to licences, in a number of ways:
- automatically, having been set out on the face of the Act ;
 - through regulations made by the Secretary of State;
 - by the Gambling Commission, to operating and personal licences;
 - by the Licensing Authority, to premises licences and some permits; and
 - by the Licensing Authority, by excluding certain default conditions on a premises licence.
- 1.2 When determining an application, this Licensing Authority **aims to permit** the use of premises for gambling in so far as it thinks it is:
- in accordance with any relevant code of practice issued by the Gambling Commission;
 - in accordance with any relevant guidance issued by the Gambling Commission;
 - reasonably consistent with the licensing objectives; and
 - in accordance with the Authority's statement of principles.
- 1.3 **Definition of "premises":**
'Premises' is defined in the Act as "any place". A particular premises cannot be granted more than one premises licence under the Gambling Act at any one time. It is possible for a single building to be subject to more than one Premises Licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being separate premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can be properly regarded as different premises.
- 1.4 The Licensing Authority takes particular note of the Gambling Commission's Guidance, which states that Licensing Authorities should take particular care when considering applications for more than one premises licences for a single building, and applications for a premises licence where part of the premises is used for non-gambling purposes. In particular the Licensing Authority will consider whether:
- entrances and exits from parts of a building covered by one or more licences are to be separate and identifiable so that the separation of different premises is not compromised and that people cannot 'drift' into a gambling area;
 - premises should be configured so that children are not invited to participate in, have accidental access to, or closely observe gambling where they are prohibited from participating; and
 - customers are able to participate in the principal gambling activity authorised by the premises licence.

1.5 The Licensing Authority takes particular note of the Gambling Commission's Guidance, which states that Licensing Authorities should pay particular attention to applications where access to the licensed premises is through other premises, whether licensed or unlicensed. The Licensing Authority will consider whether:

- entrances and exits from parts of a building covered by one or more licences are to be separate and identifiable so that the separation of different premises is not compromised and that people cannot 'drift' into a gambling area;
- premises should be configured so that children are not invited to participate in, have accidental access to, or closely observe gambling where they are prohibited from participating; and
- customers are able to participate in the principal gambling activity authorised by the premises licence.
- children can gain access to the premises;
- the two establishments are compatible;
- the proposed licence holder would be able to comply with the requirements of the Act, for example, mandatory operating licence conditions; and
- Gambling Commission's Guidance in relation to division, separation or splitting of premises and primary gambling activity (see Part 7 of statutory guidance).

In addition an overriding consideration for the Licensing Authority is whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

1.6 Where an application is made in respect of a premises to be constructed or altered the Licensing Authority will consider each application on its own merits having due regard to the advice given by the Gambling Commission in its Guidance (particularly sections 7.59 to 7.65). The Licensing Authority will consider whether:

- a future effective date on the licence is appropriate; or
- the licence should be issued subject to a condition that trading shall not commence until the premises have been completed in all respects and in accordance with the scale plans provided with the application.

The Licensing Authority may require inspection of the completed works or written confirmation from the applicant, their agent or surveyor to satisfy the Authority that the completed works comply with the original, or changed, plan attached to the premises licence.

1.7 **Location:** Demand or need for licensed premises cannot be considered with regard to the location of premises. In accordance with the Gambling Commission Guidance, the Licensing Authority will pay particular attention to protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. The Licensing Authority will carefully consider applications for premises licences and whether there is a need for condition(s) to mitigate risks, in respect of certain kinds of gambling located very close to a school or a centre for gambling addicts, in light of the third licensing objective. Each case will be decided on its merits and will depend to a large extent on the type of gambling that is proposed for the premises. The requirement for conditions might be determined by the operator's own risk assessment or the local area profile carried out by the licensing authority.

1.8 **Duplication with other regulatory regimes:** The Licensing Authority seeks to avoid any duplication with other statutory / regulatory systems wherever possible, including planning, building control, health and safety and fire safety. Should it come to the

attention of the Licensing Authority that planning conditions or other regulatory restrictions/controls may impact on a premises operator's ability to comply with mandatory or default conditions then it may alert the applicant accordingly. The grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building control.

- 1.9 **Licensing objectives:** Premises Licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the Licensing Authority has considered the Gambling Commission's Guidance and provides some commentary below:

(1) Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime:

The Gambling Commission takes the leading role in preventing gambling from being a source of crime. Where a particular area is associated with criminal activity the Licensing Authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be appropriate, for example the provision of door supervisors. There is a distinction between disorder and nuisance, and Licensing Authority will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction. Issues of nuisance cannot be addressed when determining applications under the Gambling Act 2005. The Licensing Authority shares the view expressed by the Gambling Commission in their guidance that in the context of gambling premises licences, licensing authorities should generally consider disorder as activity that is more serious and disruptive than mere nuisance.

(2) Ensuring that gambling is conducted in a fair and open way:

The Gambling Commission states in its Guidance that it would, with the exception of tracks, generally not expect Licensing Authorities to be concerned with ensuring that gambling is conducted in a fair and open way as this is addressed via Operator and Personal licensing requirements. If the Licensing Authority suspects that gambling is not being conducted in a fair and open way then this will be brought to the attention of the Gambling Commission for its further consideration.

The Licensing Authority's role in relation to tracks will be different from other premises, in that track owners will not necessarily hold an operating licence with the Gambling Commission. In such circumstances the premises licence may need to contain conditions to ensure that the environment in which betting takes place is suitable. The Licensing Authority will have regard to the Gambling Commission's Guidance at Part 20 when considering such matters.

(3) Protecting children and other vulnerable persons from being harmed or exploited by gambling:

The Gambling Commission has stated, with limited exceptions, the intention of the Gambling Act 2005 is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult only environments. The objective refers to protecting children from being 'harmed or exploited' by gambling. This means preventing

them from taking part in gambling activities except limited authorised activities (see schedule D), and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children (excepting category D machines).

The Licensing Authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include such matters as supervision of entrances/machines or segregation of areas and the Licensing Authority will also have due regard to any relevant Codes of Practice issued by the Gambling Commission concerning this licensing objective in relation to specific premises.

The Gambling Commission does not provide a definition for the term "vulnerable persons" but states that "for regulatory purposes assume that this group includes people who:

- gamble more than they want to;
- gamble beyond their means; and
- may not be able to make informed or balanced decisions about gambling due to, for example mental health, a learning disability or substance misuse relating to alcohol or drugs.

The Licensing Authority will consider this licensing objective on a case by case basis.

1.10 **Conditions:**

Since the Licensing Authority must aim to permit the use of premises for gambling, it will not attach conditions which limit the use of the premises for gambling, except where that is necessary as a result of the requirement to act:

- in accordance with the Gambling Commission's Guidance, the Commission's codes of practice or this Licensing Authority's Statement of Principles; or
- in a way that is reasonably consistent with the Licensing Objectives.

This Licensing Authority notes that conditions on premises licences should only relate to gambling, and it is not necessary, proportionate or appropriate to impose conditions on a premises licence where the Gambling Commission's Licence Conditions and Codes of Practice, or other legislation, places the same or similar duties, responsibilities or restrictions on an employer or the operator of gambling premises.

This Licensing Authority shares the view of the Gambling Commission that the mandatory and default conditions set by the Secretary of State will normally be adequate for the general good conduct of gambling premises. However, where there are specific, evidenced risks or problems associated with a particular locality, specific premises, or class of premises in its area then the Licensing Authority may be able to attach individual conditions to address this.

Any conditions attached by the Licensing Authority to a premises licence shall be:

- carefully considered in view of the matters mentioned above at 1.10;
- directly related to the premises (including the locality and any identified local risks) and the type of licence applied for;

- relevant to the need to make the proposed building suitable as a gambling facility;
- fairly and reasonably related to the scale and type of premises; and
- reasonable in all other respects.

Sections 169 to 172 of the Act set out certain matters that may not be the subject of Licensing Authority conditions, as set out below:

- any condition on the Premises Licence which makes it impossible to comply with an Operator Licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body cannot be required by attaching a condition to a premises licence (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winning or prizes.

The Licensing Authority will have due regard to these when considering the need for conditions.

1.11 The Licensing Authority will also consider specific measures, which may be required for buildings, which are the subject of more than one Premises Licence. In considering these matters the Licensing Authority shall have due regard to:

- any mandatory or default conditions of licence;
- any relevant Codes of Practice (particularly social responsibility provisions linked to operator licences) issued by the Gambling Commission; and
- Gambling Commission's Guidance.

Such measures may include the supervision of entrances, segregation of gambling from non-gambling areas frequented by children and the supervision of gaming machines in specific non-adult gambling premises in order to promote the licensing objectives.

1.12 The Licensing Authority must be satisfied that where category C or above machines are available in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations may apply to premises including buildings where more than one Premises Licence is applicable.

1.13 'Tracks' may be subject to one, or more than one, Premises Licence provided each licence relates to a specified area of the track. In accordance with the Gambling

Commission's Guidance, the Licensing Authority will consider the impact upon the protection of children licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

1.14 In accordance with Gambling Commission's Guidance, the Licensing Authority may consider whether door supervisors are necessary and appropriate in the particular circumstances in order to:

- prevent premises from becoming a source of crime or disorder; or
- protect children and vulnerable persons from being harmed or exploited by gambling.

Should the Licensing Authority consider that door supervisors are necessary and appropriate in the particular circumstances to promote the licensing objectives for a particular premises, it will normally expect that any person employed as a door supervisor at that premises will either:

- meet the minimum requirements necessary for that individual to be licensed by the Security Industry Authority (SIA) in normal circumstances (accepting that there is a specific exemption from the licensing of door supervisors by the SIA for in-house staff casino and bingo premises); or
- the holder of the operator licence will have recruitment criteria for their door supervisors, which may specify:
 - (i) a minimum training standard (whether within the organisation, or a nationally accredited training course); and
 - (ii) an assessment of whether that individual is fit and proper, for example by means of a subject access search, Disclosure and Barring Service (DBS) disclosure or other means.

1.15 Operators should ensure their familiarity and compliance where appropriate, with the Gambling Commission's published Licence Conditions and Codes of Practice (LCCP), which were substantially updated in April 2018. These provide sector-specific advice about steps that a business should take to meet its social responsibilities and reflect the licensing objectives. In particular this relates to those business activities which fall under the responsibility of the Licensing Authority i.e. in the areas of non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences. The exceptions to this are non-remote general betting (limited) and betting intermediary licences. See also **Schedule E** of this statement of principles relating to Local Area Profile and Risk Assessments.

2. Adult Gaming Centres

2.1 The Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will require applicants to demonstrate that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises. Appropriate measures may also be included within mandatory/default conditions, codes of practice and cover matters such as:

- Proof of age schemes;
- CCTV;

- Supervision of entrances / machine areas;
- Physical separation of areas;
- Access and Location of entry;
- Notices / signage;
- Self-barring schemes;
- ATM location;
- Prohibition of alcohol consumption; or
- Provision of information leaflets/helpline numbers for organisations such as GamCare or Be Gamble Aware.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

The Licensing Authority may determine the opening hours for Adult Gaming Centres, on a case-by-case basis, in the absence of any default conditions addressing this matter.

3. (Licensed) Family Entertainment Centres (FEC's)

- 3.1 The Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will require applicants to demonstrate that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only Category C gaming machine areas.

The Licensing Authority will require applicants to demonstrate that there will be sufficient measures to promote the licensing objectives. Appropriate measures may also be included within mandatory/default conditions, codes of practice and cover issues such as:

- CCTV;
- Supervision of entrances / machine areas;
- Physical separation of areas;
- Access and Location of entry;
- Notices / signage;
- Challenging children or young persons attempting to play Category C machines;
- Self-barring schemes;
- ATM location;
- Prohibition of alcohol consumption;
- Provision of information leaflets/helpline numbers for organisations such as GamCare or Be Gamble Aware; or
- Measures / training for staff on how to deal with suspected truant school children on the premises.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 3.2 The Licensing Authority will, in accordance with the Gambling Commission's Guidance, make itself aware of any conditions that may apply to Operator licences covering the way in which the area containing the category C machines should be delineated. The Licensing Authority will ensure that it has due regard to any mandatory or default conditions on these Premises Licences, Codes of Practice and guidance issued by the

Gambling Commission when dispending its functions in relation to licensed Family Entertainment Centres.

The Licensing Authority may determine the opening hours for licensed FEC's, on a case-by-case basis, in the absence of any default conditions addressing this matter.

4. Casinos

4.1 The Licensing Authority has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but retains the power to do so. Any change will be published in this Statement of Principles and on the Council's Website during any intervening period.

4.2 Where a Licensing Authority area has the power to determine a Premises Licence application for a new style casino, it will do so following any regulations under Section 175 of the Gambling Act 2005 published by the Secretary of State.



4.3 The Act lays down a framework for a two-stage process for considering applications in circumstances where the number of applications exceeds the number of licences available, and this will be followed by the Licensing Authority.

4.4 **Licence considerations/conditions:** The Licensing Authority shall have due regard to the Gambling Commission's guidance in relation to the suitability and layout of casino premises, and also the guidance issued by the Commission on primary gambling activity at casino premises.

Conditions may be attached to casino operator licences by the Gambling Commission to restrict the types of casino games that may be made available, or specifying rules for casino or equal chance games played in a casino. The Licensing Authority will make itself aware of any operating, mandatory and default conditions, codes of practice and Gambling Commission's guidance when considering applications, and attachment of any conditions, for casino premises licences.

4.5 **Betting machines:** Where betting is permitted in a casino the Licensing Authority will normally, in accordance with Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines (self-service betting terminals) an operator wants to make available.

5. Bingo premises

5.1 It is important that if children are allowed to enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category B or C or machines are made available for use on premises to which children are admitted Licensing Authorities should ensure that:

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than



- through a designated entrance; and
- only adults are admitted to the area where the machines are located.

5.2 The Licensing Authority shall have due regard to relevant licence conditions and codes of practice in relation to the operation of Bingo premises, and also the Gambling Commission's guidance about the particular issues that Licensing Authorities should take into account in relation to the suitability and layout of bingo premises. This includes guidance on primary gambling activity, split premises and operating licence conditions.

6. Betting premises

6.1 **Betting machines:** The Licensing Authority will normally, in accordance with the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (It is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines (self-service betting terminals) an operator wants to make available. Children and young persons will not be able to enter premises which hold a Betting Premises licence, unless the special rules applying to tracks are applicable.



6.2 The Licensing Authority shall have due regard to the Gambling Commission's guidance in relation to the suitability and layout of betting premises. This includes guidance on primary gambling activity, split premises and operating licence conditions.

6.3 Betting Machines (Self-service betting terminals) are not gaming machines under the Act, and do not accrue against the premises entitlement for gaming machines, unless the machine is designed or adapted for use to bet on **virtual** races (that is, images generated by computer to resemble races or other events) in which case it is considered a gaming machine. Where betting facilities are provided only by betting machines the number of betting machines must exceed the number of gaming machines made available for use.

7. Tracks

7.1 Tracks are defined under section 353 of the Act as "a horse racecourse, greyhound track or other premises on any part of which a race or other sporting event takes place or is intended to take place"

7.2 The Act does not give a list of premises that are officially recognised as 'tracks', but there are a number of venues that could be classed as tracks, examples of tracks may include:

- a horse racecourse
- a greyhound track
- a point to point horse race meeting
- football, cricket and rugby grounds
- an athletics stadium
- a golf course
- venues hosting darts, bowls or snooker tournaments

- premises staging boxing matches
- sections of river hosting a fishing competition
- a motor racing event



This list is not exhaustive, but gives an example of the types of venue which could accommodate the provision of betting facilities.

7.3 The different types of approval for the provision of betting facilities may be made available at a sporting event are:

- an Occasional Use Notice (OUN); and
- a Track Premises Licence.

Betting in relation to tracks may be provided either as on course, or off course betting. The different types of betting are explained in detail in the Guidance issued by the Gambling Commission, and this is available via the Gambling Commission website at www.gamblingcommission.gov.uk

7.4 A betting premises licence permits a premises to be used for the provision of facilities for betting, whether by:

- making or accepting bets
- acting as a betting intermediary; or
- providing other facilities for the making or accepting of bets.

7.5 Tracks are the only class of premises that may be subject to more than one premises licence, provided that each licence relates to a specific area of the track. This allows track venues to develop leisure facilities such as a casino and apply for a (casino) premises licence for that part of the track.

7.6 There is no special class of betting Premises Licence for a track, but the Act does contain rules which apply specifically to Premises Licences granted in respect of tracks.

7.7 Special rules apply to applicants for a Premises Licence in relation to a track. Most importantly the applicant need not hold an operator licence. That is because, unless the occupier of the track wishes to offer pool betting (or general betting) facilities himself (for which he will need a licence) the betting that is provided upon the track will not be provided by him, but will be provided by other operators who come on-course. Since those people will require the necessary Operator Licences, the Act allows the track operator to obtain a Premises Licence without also having to hold an Operator Licence. This 'Track Premises Licence' then authorises anyone upon the premises with a valid Operator Licence to offer betting facilities.

7.8 Track premises licences are distinguished from all other premises licences because children and young persons are allowed to be present on the track while betting is taking place on those licensed premises.

7.9 Track premises that safeguard the achievement of the three licensing objectives may generally be considered fit for gambling, and some general principles whereby licensing authorities can establish whether a track is fit for the provision of gambling facilities are as follows:

Licensing objective	Issues to consider	Reason to consider a track premises unfit for gambling purposes?
<p>The protection of children and other vulnerable persons from being harmed or exploited by gambling</p>	<p>Tracks permit access to children.</p>	<p>No - Children are allowed access to tracks on race days.</p>
	<p>Self-service betting terminals in areas where there is no supervision which would allow children or young persons to use machines undetected.</p>	<p>No - It is a mandatory condition of the operating licence that operators ensure that self-service betting terminals are supervised. This is not an issue for the premises licence.</p>
	<p>Children are allowed access to areas holding category B and C gaming machines.</p>	<p>It is a mandatory condition of the operating licence that operators ensure that children are not allowed access to areas where category B and C gaming machines are provided.</p> <p>However, section 182 of the Act also creates a premises licence condition that children and young persons must be excluded from areas where any gaming machines other than category D are located.</p>
	<p>Betting areas adjacent to areas where children/young persons are present such as play areas</p>	<p>No - Children are allowed access to tracks on race days and so will be exposed to gambling areas. It is a mandatory condition of the operating licence that operators do not accept bets from children or young persons.</p>
	<p>Betting areas adjacent to areas where children/young persons are present such as play areas</p>	<p>The Commission considers that the location of betting does not generally pose a risk to this licensing objective. Licensing authorities may impose their own local conditions where they perceive problems.</p>
<p>Ensure gambling is conducted in a fair and open way</p>	<p>The rules of betting are not displayed on the premises.</p>	<p>No (not an issue at application stage) - it is a mandatory condition of the premises licence that the rules of betting are displayed.</p>
	<p>Unlicensed betting operators are allowed to operate on tracks.</p>	<p>No (not an issue at application stage) - it is a mandatory condition of the premises licence that licence holders make arrangements to ensure that they only allow licensed operators on track.</p>

	Betting takes place out of approved hours.	No (not an issue at application stage) - it is a mandatory condition of the premises licence that betting only takes place within the specified hours.
Prevent gambling from being a source of crime and disorder	Betting is allowed in all parts of a track resulting in greater difficulties for track premises licence holders to identify instances of illegal Betting.	No - the Commission's view is that this does not generally pose a risk to this objective. Licensing authorities may impose their own conditions should they perceive a problem.
	No formal exit/entry points allowing easy access for unapproved operators and customers.	No - the Commission's view is that this does not generally pose a risk to this objective. Licensing authorities may impose their own conditions should they perceive a problem.

The Licensing Authority will take any such guidance into consideration when determining an application for a track premises licence.

Access to premises and other parts of the track:

7.10 Access between premises licensed for gambling and non-gambling areas is an important local licensing consideration, for reasons such as the following:

- to prevent operators from seeking to circumvent the Act by artificially subdividing a premises and securing separate premises licences for its composite parts;
- to ensure that operators do not circumvent regulations governing the maximum number of gaming machines applicable to specific premises;
- to ensure that people who have entered a premises for one type of gambling are not exposed to another, potentially harder, form of gambling;
- to ensure that there is no direct access between gambling premises to which children have access and those which they are prohibited from entering;
- to ensure that all gambling premises have publicly accessible entrances; and
- to ensure that gambling premises are not developed in the backrooms of other commercial premises.

Access by children – special dispensation for tracks:

7.11 The Act forbids all persons under 18 years old to enter premises when betting facilities are being provided, other than at tracks. This dispensation allows families to attend premises such as greyhound tracks or racecourses on event days, and children to be permitted into areas where betting facilities are provided, such as the betting ring, where betting takes place. This dispensation does not, however, apply to:

- areas within a track where category C or above machines are provided; or
- other premises to which under 18 year olds are specifically not permitted access.

Licensed betting operators at tracks are bound by their operating licence conditions which prevent them from accepting bets from persons who are under 18 years old. The track premises licence holder is also required through premises licence conditions

to display a notice in a prominent place at every public entrance stating that no person under the age of 18 is permitted to bet on the premises.

There may be some specific considerations with regard to the protection of children and vulnerable persons from being harmed or exploited by gambling, the need to ensure entrances to each type of premises are distinct and that children are excluded from gambling or betting areas where they are not permitted to enter.

- 7.12 Children and young persons will by law be permitted to enter track areas where facilities for betting are provided on days when dog racing and/or horse racing takes place, although they are still prevented from entering areas where gaming machines (other than category D machines) are provided. The Licensing Authority will normally expect Premises Licence applicants to demonstrate suitable measures to ensure the children do not have access to adult only gambling facilities.

Appropriate measures may include:

- Proof of Age schemes
- CCTV
- Door Supervisors
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices/signage
- Specific opening hours
- The location of gaming machines
- Self barring schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare or Be Gamble Aware.



This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Betting on event and non-event days:

- 7.13 **Hours of betting on event days:** Premises licence holders will be expected to comply with the mandatory and default conditions applicable to them on both event and non-event days. The licensing authority will not generally expect to re-assess a licence application as a result of a change to the dates of sporting events, but would expect applicants and licence holders to make information about sporting fixtures available as part of the application.

Significant changes to the fixture/events listing have a bearing on the licence conditions in that track premises licence holders will be expected to comply with the mandatory and default conditions applicable to them on both event and non-event days.

- 7.14 **Hours of betting on non-event days:** On days when no public sporting event is taking place on a track, gambling facilities may only be provided on the track between the hours of 7am and 10pm. Where the premises user intends to continue to offer facilities for gambling outside the proposed gambling hours on non-event days these facilities should be provided by virtue of an Occasional Use Notice (OUN).

7.15 On non-event days, tracks become similar to licensed betting offices on the high street. Tracks may achieve this requirement by:

- locating all betting areas inside an area of the premises that is separated from the remainder of the premises by a physical barrier, thereby preventing access other than through a designated entrance;
- only admitting adults to the part of the track where betting areas are located, by establishing procedures for verifying customer ages and refusing entry to adult-only areas for those unable to produce an acceptable form of identification (and taking action where there are unlawful attempts to enter adult-only areas); and
- placing prominent notices in front of and inside each entrance stating that access to the area is prohibited to persons under 18.

7.16 The Licensing authority may consider reducing the default gambling hours, providing any reduction is consistent with the principles set out in section 153 of the Act.

Self-service betting terminals

7.17 Licensed operators may install self-service betting terminals on tracks. There is no restriction on the number of self-service betting terminals that may be in use but operators must, by virtue of their operating licence conditions, supervise such terminals to prevent them being used by those under 18 years of age.

There is no formal requirement on track premises licence holders to involve themselves in the procedures used by betting operators to supervise their self-service betting terminals unless specific local conditions specifying supervisory arrangements are added to the track premises licence by the licensing authority.

Gaming machines

7.18 A track premises licence does not of itself entitle the holder to provide gaming machines, as this type of premises licence can be held without any corresponding operating licence.

Where a track owner holds both a track premises licence *and* a pool betting operating licence issued by the Commission (in effect, greyhound tracks only), they may site up to four gaming machines within categories B2 to D on the track.

Some tracks may also hold a premises licence under the Licensing Act 2003. As such they will be automatically entitled under section 282 of the Act to two gaming machines of category C or D.

In such scenarios the operating licence entitlement does not take precedence, and each licence has its own requirements that must be complied with.

7.19 Applications for permits to allow additional gaming machines are not permitted where the premises is already covered by a track premises licence. It is a condition of section 282 of the Act that alcohol-licensed premises licence holders (not necessarily the owners) must comply with any relevant provision of a code of practice under section 24 about the location and operation of a gaming machine. The gaming machine permits code of practice can be found on the Gambling Commission's website.

7.20 Where track premises licence holders possess a pool betting operating licence, the Commission places a mandatory licence condition on such operators that they must:

- have and put into effect documented policies and procedures to prevent underage gambling; and
- monitor the effectiveness of these.

Track administration:

7.21 **Administration of betting:** Administrative and quasi-regulatory arrangements in place to ensure that activities held on tracks run smoothly for paying customers, track operators and betting operators are considered to be outside the remit of the Act unless they affect the licensing objectives.

7.22 **The role of track premises licence holders:** The responsibilities of track premises licence holders are established by the mandatory and default licence conditions attaching to their premises licence.

The licensed betting operators authorised by track owners to provide betting facilities at tracks must comply with their operating licence conditions and codes of practice issued by the Commission.

Track premises licence holders have a responsibility to report regulatory breaches or potential breaches relating to the premises itself or to betting operators.

7.23 **Acceptance of bets:** Track premises licences for greyhound tracks and racecourses are subject to mandatory licence conditions requiring access to be offered at the track-side to betting operators generally. This prevents track premises licence holders who are also pool betting operators from becoming a monopoly supplier of betting on tracks.

While this does not mean that there must be independent betting operators on tracks, on event days, track premises licence holders cannot hold event days without at least making places available to licensed operators. This matter is the responsibility of the Gambling Commission and not the Licensing Authority.

Pool betting:

7.24 Under the Act, holders of track premises licences on licensed greyhound tracks are given exclusivity to offer pool betting facilities on greyhound racing. They may also authorise other people to conduct such pool betting on their behalf, although in all cases a relevant operating licence will be required to license this activity.

A totalisator on a licensed greyhound track will only be permitted while the public are admitted to the track for the purpose of attending greyhound races, and no other sporting events are taking place. A mandatory condition is attached to the premises licence to this effect.

Admission of betting operators:

7.25 It is a mandatory premises licence condition of track premises licences that the licence holder makes arrangements to ensure that the betting operators they admit to their track operate under valid operating licences.

Track premises licence holders are responsible for determining their own arrangements for the verification of betting operators. As part of this process, the track premises licence holder should make arrangements for ensuring that the betting

operator holds an operating licence. Additionally, both parties should agree a procedure for assessing that persons accepting bets on behalf of a betting operator either themselves hold operating licences in their own right, or are employed by the operator under a written contract of employment.

Removal of illegal betting operators:

- 7.26 Track premises licence holders are required by a mandatory licence condition to take reasonable steps to remove from the racecourse anybody found to be providing facilities for gambling without authorisation. Failure to uphold this requirement could result in action being taken against the premises licence holder.

Track premises licence holders should have policies and procedures for identifying illegal gambling in addition to the mandatory requirement to verify that betting operators offering betting facilities on their track hold suitable operating licences.

Display of rules:

- 7.27 It is a mandatory condition of premises licences that clear and accessible information about the terms on which a bet may be placed must be displayed at betting premises, including tracks.

The track premises licence holder should make the necessary arrangements to ensure that betting rules are accessible to all customers, regardless of which area of the track they are in. If certain areas are restricted to certain customers (such as different stands within a football ground) then rules could be displayed at various parts of the track. Other measures could be taken to ensure that they are made available to the public, such as printing them in the race-card or programme. The requirement could also be met by making a copy of the rules available in leaflet form from the main track office, and customers could be given a copy if they request one.

Betting operators offering betting facilities on racecourses and at greyhound tracks are required through the conditions of their operating licence to clearly display any of their own rules that differ from those that the track premises licence holder elects to display, and their rules concerning voids, late bets, and maximum payouts. For racecourses and greyhound tracks, the maximum payout will vary according to the rules of individual on-course operators.

Approved betting areas:

- 7.28 **Betting areas:** In considering applications, the licensing authority will take into account the licensing objectives and assess whether these objectives are compromised by proposed betting arrangements. The location of betting areas (other than those for gaming machines and self-service betting terminals) is not considered a threat to the licensing objectives and therefore no additional conditions would normally be imposed by licensing authorities, unless the circumstances are such that the Licensing Authority considers that the licensing objectives would be undermined.
- 7.29 **Multiple licences:** The Act permits a Licensing Authority to issue more than one premises licence for a track provided that each licence relates to a distinct specified area of the track (although there cannot be more than one premises licence covering the same area of the track.) This enables track owners to extend existing facilities to provide other gambling facilities such as a casino on their existing tracks, whereby these additional gambling activities are covered by separate premises licences.

Where an application is made for an additional premises licence, the Licensing Authority will consider the following matters when determining an application:

- access issues in particular whether access to the desired premises will be allowed directly from the track. Direct access between a track and other betting premises (other than a track betting shop) is not permitted. The track owner would need to make arrangements so that access to a casino or bingo hall would be via a street, not via the track itself.

Where a particular area of a track is already subject to a premises licence, and a person wishes to apply for a licence to offer another type of activity in that area, an application must be made to the Licensing Authority to vary the original premises licence. The new track premises licence can only be granted at the same time as, or after, the original licence has been varied.

Where the Licensing authority receives an application indicating separate betting areas that may not necessarily have clear physical boundaries, such as walls or fencing, it may grant the licence where it is satisfied that the area is clearly delineated, both in terms of making it clear to the public that they are entering a 'betting office', and to keep out persons aged under 18.

Where the Licensing Authority is not satisfied that a new activity in an existing area is clearly delineated, it may consider refusing the application.

Social responsibility considerations for tracks:

- 7.30 The Act places a condition on the track premises licence that the licensee shall ensure that children and young persons are excluded from any area where facilities for betting are provided (unless on race days at racetracks and at greyhound tracks).

8. Provisional Statements

- 8.1 An applicant may apply for a full premises licence where the premises are uncompleted or unaltered. However an applicant for a provisional statement does not need the right of occupation or an operator licence (granted or applied for), which are required in order to apply for a premises licence.
- 8.2 An application may be made to the Licensing Authority, under section 204 of the Act, for a provisional statement in respect of premises that the applicant expects to;
- be constructed;
 - be altered; or
 - acquire a right to occupy.

An application may also be made for a provisional statement for premises, which already has a premises licence (either for a different type of gambling or the same type).

- 8.3 When considering an application for a provisional statement the Licensing Authority shall have due regard to the guidance issued by the Gambling Commission (in particular Part 11). Subject to any necessary modifications, the process for considering an application for a provisional statement is the same as that for a premises licence, including the rights of interested parties and responsible authorities to make representations and rights of appeal.

8.4 If representations about Premises Licence applications, following the grant of a Provisional Statement are received, they may not be taken into account unless they concern matters which could not have been addressed when determining the Provisional Statement, or they reflect a material change in the circumstances of the application. The Licensing Authority must determine the Premises Licence, referring only to matters:

- which could not have been raised by way of representations at the Provisional Statement stage;
- which in the Licensing Authority's opinion reflect a change in the operator's circumstances; or
- where the premises has not been constructed in accordance with the plan and information submitted with the provisional statement application. If there are substantial changes to the plan the Licensing Authority will discuss any concerns with the applicant before making a decision.

8.5 In accordance with section 210 of the Act (which applies to premises licences and provisional statements), the Licensing Authority must not have regard to whether or not a proposal by the applicant is likely to be permitted in accordance with planning or building law.

9. Reviews

9.1 An application for review of a premises licence may be made by:

- an interested party;
- a responsible authority; and
- the Licensing Authority, for :
 - a particular class of premises licence; or
 - in relation to a particular premises.

It is for the Licensing Authority to determine whether the review is to be carried-out.

9.2 Any request for a review should normally relate to matters relevant to one or more of the following:

- any relevant code of practice issued by the Gambling Commission;
- any relevant guidance issued by the Gambling Commission;
- the licensing objectives; and
- the Licensing Authority's statement of principles.

When considering any review request, or whether to instigate its own review, the Licensing Authority will have due regard to the guidance issued by the Gambling Commission and consider;

- each application on its merits;
- whether matters raised in the application are frivolous or vexatious;
- whether the application 'will certainly not' cause it to revoke or suspend a licence, or remove, amend or attach conditions on the licence; or
- whether the request is substantially the same as any previous representations or requests made for a review or previous application for the same premises.

Officers of the Authority may attempt informal mediation or dispute resolution techniques, where practicable, prior to a review being conducted.

- 9.3 A review application must only be determined by a Licensing Sub-Committee, and not by an officer. The purpose of a review is to determine whether the Licensing Authority should take any action in relation to the licence. The Licensing Authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations. If action is justified, the options are to:
- add, remove or amend a licence condition imposed by the Licensing Authority;
 - exclude a default condition imposed by the Secretary of State (relating to, for example, opening hours) or remove or amend such and exclusion;
 - suspend the premises licence for a period not exceeding 3 months; or
 - revoke the premises licence.

PART C PERMITS/TEMPORARY USE NOTICES, OCCASIONAL USE NOTICES & SOCIETY LOTTERIES

1. **Unlicensed Family Entertainment Centre (unlicensed FEC's) gaming machine permits**

- 1.1 Unlicensed Family Entertainment Centres (FEC's) are commonly located at seaside resorts, in airports and at motorway service stations, catering for families - including unaccompanied children and young persons. Where a premises does not hold a Premises Licence but there is an intention to provide gaming machines (category D only), an application may be made to the Licensing Authority for the grant of this permit. The applicant must be an individual aged 18 or over, and he/she must occupy or plan to occupy the relevant premises. The Licensing Authority may only grant a permit where it is satisfied that the applicant intends to use the premises as an unlicensed FEC and where it has consulted the Chief Officer of Police on the application. Any duties on the applicant to comply with other legislation such as fire regulations or Health and Safety are not issues for the Licensing Authority under the Gambling Act 2005.
- 1.2 If the operator of a Family Entertainment Centre intends to make category C machines available, in addition to category D machines, then an application must be made for an Operator Licence from the Gambling Commission and a Premises Licence from the Licensing Authority (see Part B Section 3 of this document on (Licensed) Family Entertainment Centres).
- 1.3 Details of up to date application requirements, including any supporting documentation, is made available on the Council's website at www.midsuffolk.gov.uk or direct from the Licensing Team.
- 1.4 It should be noted that a Licensing Authority cannot attach conditions to this type of permit.
- 1.5 **Statement of Principles:**

The Licensing Authority will expect the applicant to satisfy it that they and their employees can demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's. The applicant is expected to demonstrate that he has considered appropriate measures to promote the licensing objectives, and training for staff on issues such as:

- suspected truant school children on the premises;
- how staff would deal with unsupervised very young children being on the premises;
- children causing problems on or around the premises; and
- maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 1.6 The Chief Officer of Police is a statutory consultee for all such permit applications, and any representations made by him/her will be considered by the Licensing Authority.
- 1.7 The Licensing Authority may also require the applicant to provide details of any relevant convictions, (those that are set out in Schedule 7 of the Act), and the following documents would be acceptable for such purposes:
 - disclosure and barring service - basic disclosure; or
 - a police subject access search.

2. (Alcohol) Licensed Premises Gaming Machine Permits

- 2.1 The Act makes provision for premises licensed to sell alcohol for general consumption on the premises to be entitled to make available up to 2 gaming machines, of categories C and/or D. The Licensing Act 2003 premises licence holder needs only to notify the Licensing Authority of this intention and pay the prescribed fee. The Licensing Authority may remove the automatic authorisation in respect of any particular premises only if it is satisfied that:



- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act for example the gaming machines have been made available in a way that does not comply with requirements on the location and operation of gaming machines;
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises.

Before making any such order the Licensing Authority shall give the licensee at least 21 days prior notice and consider any representations made by the applicant (at a hearing if requested by the Licence holder).

- 2.2 If a Licensing Act 2003 premises licence holder wishes to use more than 2 gaming machines, then (s)he will need to apply to the Licensing Authority for a permit and the Licensing Authority must consider that application based upon:
 - the licensing objectives;
 - any guidance issued by the Gambling Commission; and

- “such matters” as they think relevant.

This Licensing Authority considers that “such matters” will be assessed on a case-by-case basis. Generally there will be regard to the need to protect children and vulnerable persons from harm or being exploited by gambling.

This permit replaces, and is not in addition, to the automatic entitlement notification.

2.3 The Licensing Authority expects the applicant to satisfy it that there will be sufficient measures in place to ensure that persons under the age of 18 do not have access to the adult only category C gaming machines. The applicant may consider appropriate measures to comply with the Gambling Commission’s Code of Practice and monitor access to machines. This may include:

- ensuring that the adult gaming machines are within sight of the bar, or within the sight of staff who can monitor that the machines are not being used by persons under the age of 18;
- notices and signage may also be an appropriate measure/safeguard; and
- the provision of information leaflets / helpline numbers for organisations that give support to vulnerable persons such as GamCare and Be Gamble Aware.

2.4 The holder of a permit to must comply with any code of practice issued under section 24 of the Act by the Gambling Commission concerning the location and operation of the gaming machines.

2.5 It should be noted that the Licensing Authority can and may decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached to the grant of this permit.

There is a similar mechanism for applying to vary the number and category of machines specified on an existing permit.

3. Prize Gaming and Prize Gaming Permits

3.1 Statement of principles:

The prize gaming conditions in the Act are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a monetary prize), or the prescribed value (if non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

It should be also noted that this permit cannot be issued in respect of a vessel or vehicle.

An application may only be made by an individual over the age of 18, who occupies or plans to occupy the relevant premises. An application for a permit cannot be made if a premises licence or club gaming permit is already in effect for the same premises.

3.2 The Licensing Authority will expect the applicant to satisfy the Authority that they and their employees can demonstrate a full understanding of the maximum stakes and prizes for the gaming offered and that the type of gaming offered is within the law. The applicant will normally be required to set out the types of gaming that he/she is intending to offer, and may wish to consider appropriate measures to promote the licensing objectives, and training for staff on:

- the type of gaming which they intend to provide; and
- the stakes and prizes which apply under the regulations relevant to the type of gaming they intend to offer.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3.3 In making its decision on an application for this permit the Licensing Authority may have regard to the licensing objectives and must have regard to any Gambling Commission Guidance. Given that the premises may be particularly appealing to children and young persons, the Licensing Authority will give appropriate weight to the consideration of child protection issues.

3.4 The Chief Officer of Police is a statutory consultee for all such permit applications. Any representations made by the Chief Officer of Police which are relevant to the licensing objectives will be considered by the Licensing Authority, relevant considerations may include:

- whether the applicant has any convictions that would render them unsuitable to operate prize gaming, or
- the suitability of the location of the premises in relation to any disorder issues.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3.5 It should be noted that whilst there may be conditions in the Gambling Act 2005 and Gambling Commission's codes of practice (including on social responsibility) with which the permit holder must comply, the Licensing Authority cannot attach conditions to this permit. Where the Authority is minded to refuse a permit application it will notify the applicant and allow the opportunity for the applicant to make representations (which may be considered at a hearing).

4. Club Gaming Permits

4.1 Members' Clubs and Miners' Welfare Institutes (but not Commercial Clubs) may apply for a Club Gaming Permit which authorises the premises to:

- make available for use up to 3 gaming machines of categories B3A to D (only one B3A can be made available as part of this entitlement);
- equal chance gaming (without restriction on the stakes and prizes); and



- games of chance as prescribed by regulations (namely pontoon and chemin de fer).

The gaming which a club gaming permit allows is subject to the following conditions:

In respect of equal chance gaming:

- The club must not deduct money from sums staked or won;
- The participation fee must not exceed the amount prescribed in regulations; and
- The game takes place on the premises and must not be linked with a game on another set of premises. Two games are linked if:
 - (i) The result of one game is, or may be, wholly or partly determined by reference to the result of the other game; or
 - (ii) The amount of winnings available in one game is wholly or partly determined by reference to the amount of participation in the other game, and a game which is split so that part is played on one site and another part is played elsewhere is treated as two linked games.

Only club members and their genuine guests participate.

In respect of other games of chance:

- (i) the game must be pontoon and chemin de fer only;
- (ii) no participation fee may be charged otherwise than in accordance with the regulations; and
- (iii) no amount may be deducted from sums staked or won otherwise than in accordance with the regulations.

4.2 Members' clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is permitted by separate regulations. The Secretary of State has made such regulations covering bridge and whist clubs. A members' club must be permanent in nature and established and conducted for the benefit of its members and not as a commercial enterprise. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.

A club gaming permit may not be granted in respect of a vehicle or a vessel.

4.3 The Licensing Authority may only refuse an application on the grounds that:

- a) the applicant does not fulfil the requirements for a members' club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- b) the applicant's premises are used wholly or mainly by children and/or young persons;
- c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- d) a permit held by the applicant has been cancelled in the previous ten years; or
- e) an objection has been lodged by the Gambling Commission or the Suffolk Constabulary.

Where the Licensing Authority is satisfied that (a) or (b) is the case, it must refuse the application. In determining an application the Licensing Authority shall have regard to the relevant guidance issued by the Gambling Commission and, subject to that guidance, the licensing objectives.

4.4 Where a permit is granted, the permit holder must comply with statutory conditions:

- no child or young person may use a category B or C machine on the premises; and
- the permit holder must comply with any relevant provision of a code of practice regarding the location and operation of gaming machines.

Clubs do not have to have a permanent premises or alcohol licence.

4.5 There is a 'fast-track' procedure available for premises where the club holds a Club Premises Certificate under section 72 of the Licensing Act 2003. Where an application is made under the fast track procedure, there is no opportunity for objections to be made by the Commission or the Suffolk Constabulary, and the grounds upon which an Authority can refuse a permit are limited as below:

- the club is established primarily for gaming, other than gaming of a prescribed kind
- in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

5. Club Machine Permits

5.1 Members' Clubs and Miners' Welfare Institutes and Commercial Clubs may apply for a Club Machine Permit, which enables the premises to make available for use up to 3 gaming machines of categories B3A to D (only one B3A can be made available as part of this entitlement (Members clubs and Miner's welfare institutes only (i.e. not commercial clubs))).

5.2 Members' clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is permitted by separate regulations. The Secretary of State has made such regulations covering bridge and whist clubs. A members' club must be permanent in nature and established and conducted for the benefit of its members and not as a commercial enterprise. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.



Commercial clubs must have at least 25 members, but may be established with a view to making a profit, which is not returned to the members, but the proprietor(s) of the club. Examples of commercial clubs include snooker clubs, clubs established for personal profit and most clubs established as private companies.

5.3 The Gambling Commission's Guidance advises that Licensing Authorities may only refuse an application on the grounds that:

- the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- the applicant's premises are used wholly or mainly by children and/or young persons;
- an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- a permit held by the applicant has been cancelled in the previous ten years; or
- an objection has been lodged by the Gambling Commission or the Police.

It should be noted that either type of permit may not be issued in respect of a vessel or vehicle.

5.4 There is also a 'fast-track' procedure available for premises where the club holds a Club Premises Certificate under section 72 of the Licensing Act 2003. Under the fast-track procedure there is no opportunity for an objection to be made by the Commission or the Police, and the grounds upon which an Authority can refuse a permit are reduced. The grounds on which an application under the process may be refused are that:

- the club is established primarily for gaming, other than gaming of a prescribed kind;
- in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- a club machine permit issued to the applicant in the last ten years has been cancelled.

5.5 There are statutory conditions concerning Club Machine Permits that no child or young person may use a category B or C machine on the premises and that the permit holder complies with any relevant provision of a code of practice regarding the location and operation of gaming machines.

6. Temporary Use Notices

6.1 Temporary Use Notices (TUNS) allow the use of premises for gambling where there is no Premises Licence but where a licensed gambling operator wishes to use the premises for providing facilities for equal chance gaming. The Gambling Commission's Guidance suggests that premises that might be suitable for TUNS include hotels, conference centres and sporting venues, and that equal chance gaming may include games such as backgammon, mah-jong, rummy, kalooki, dominoes, cribbage, bingo and poker (but may not be provided by means of a machine).

6.2 There are a number of statutory limits that apply in respect of Temporary Use Notices, including that a TUN may only be granted to a person or company holding a relevant Operator Licence, in effect a non-remote Casino Operating licence, and limitations on the number of times a 'set of premises' can be used under these provisions.

6.3 A 'set of premises', as referred to in section 218 of the Act, is the subject of a Temporary Use Notice if any part of the premises is the subject of a notice. This reference to 'premises' is not the same as that in Part 8 of the Act (see Part 7 of the Gambling Commission Guidance) and prevents one large premises from serving TUNS for different parts of the premises and exceeding the statutory limit of 21 days in any 12 month period.

6.4 The Licensing Authority will take into account the Gambling Commission's Guidance when considering whether a place falls within the definition of a 'set of premises'. This consideration may include looking at the ownership, occupation and control of the premises. The Gambling Commission's Guidance advises that being a new type of permission, Licensing Authorities should be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

6.5 Where a notice of objection is received in respect of a Temporary Use Notice, the Licensing Authority will hold a hearing and consider representations from:

- the person who gave the notice;
- any person who objected to the notice; and
- any party who was entitled to receive a copy of the Temporary Use Notice.

Where all parties agree that a hearing is unnecessary, the hearing may be dispensed with.

6.6 Where objections are made, a modification to the Temporary Use Notice may be proposed, which could include a:

- reduction in the number of days when gambling occurs; and/or
- restriction on the type of gambling which may take place.

6.7 Where, following a hearing, or after a hearing has been dispensed with, the Licensing Authority considers that the temporary use notice should not have effect, it must issue a counter notice which may:

- prevent the temporary use notice from taking effect;
- limit the activities that are permitted;
- limit the time period of the gambling; and/or
- allow the activity to take place subject to a specified condition.

6.8 The principles which the licensing authority will apply in determining a TUN are those which it will apply when determining a premises licence, subject to its view as to whether it accords with:

- a Gambling Commission's code of practice;
- the Guidance issued by the Gambling Commission;
- this Licensing Authority's statement of principles; and
- is reasonably consistent with the licensing objectives.

7. Occasional Use Notices

7.1 Occasional Use Notices (OUNS) permit licensed betting operators (with appropriate permission from the Gambling Commission) to use tracks for short periods for conducting betting, where the event upon which the betting is taking place is of a temporary, infrequent nature. The OUN dispenses with the need for a Betting Premises Licence for the track in these circumstances.

7.2 The OUN must be served by a person who is responsible for the administration of events on the track or by an occupier of the track.

- 7.3 The Licensing Authority will ensure that the statutory limit of 8 days in a calendar year is not exceeded. The Licensing Authority must consider the definition of a 'track', which need not be a permanent fixture, and whether the applicant is eligible to serve the notice.

8. Travelling Fairs

- 8.1 It is the duty of the Licensing Authority to decide whether, where category D machines and / or equal chance prize gaming without a permit are made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.



- 8.2 The Licensing Authority will carefully consider whether an operator falls within the statutory definition of a travelling fair (provided by section 286 of the Act) and be 'wholly or principally' providing amusements.

- 8.3 The 27-day statutory maximum for the land being used as a fair, is per calendar year, and that this applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. The Licensing Authority shall endeavour to work with neighbouring authorities to ensure that land, which crosses district/borough boundaries, is monitored so that the statutory limits are not exceeded.

9. Society Lotteries

- 9.1 The Council as the Licensing Authority is responsible for registering small society lotteries. A lottery is defined under the Act and in the guidance as:

A **simple lottery** if:

- persons are required to pay to participate;
- one or more prizes are allocated to one or more members of a class; or
- the prizes are allocated by a process which relies wholly on chance.

A **complex lottery** if:

- persons are required to pay to participate;
- one or more prizes are allocated to one or more members of a class;
- the prizes are allocated by a series of processes; or
- the first of those processes relies wholly on chance.

A society, or any separate branch of such a society, may be registered by the council to promote a small lottery where it is established and conducted for:

- charitable purposes (as defined in section 2 of the Charities Act 2006);
- the purpose of enabling participation in, or of supporting, sport, athletics or a cultural activity; or
- any other non commercial purpose other than private gain.

The proceeds of the lottery must be devoted to the purposes above. The society must not be established for the sole purpose of facilitating lotteries.

A small lottery is defined in the Act and the current limits are published on the Council website at www.midsuffolk.gov.uk Definitions of exempt lotteries are also published at the above address.

- 9.2 The Council may only register a society which wishes to promote a small lottery where the society's principal office is located within its area. If the Council believes that the society's principal office does not fall within its boundaries it will inform the society at the earliest opportunity.

If the society's status is unclear, the Council may ask for the society applying to register with it to supply a copy of its terms of reference or constitution to enable it to establish that the society is non-commercial, together with a declaration to the effect that it is non-commercial.

- 9.3 Registration of small society lotteries is a function which the Council has delegated to officers. Details of societies registered by the council will be published in a register maintained by the Council.

The registration is for an indefinite period unless the registration is cancelled by:

- the society; or
- the council on failure of the society to pay the annual charge.

- 9.4 The council may refuse to register a small society lottery where:

- an operating licence held by the applicant for registration has been revoked or an application for an operating licence made by the applicant for registration has been refused within the past five years;
- the society cannot be deemed non-commercial;
- a person who will or may be connected with the promotion of the lottery has been convicted of a relevant offence; or
- information provided in or with the application for registration is found to be false or misleading.

Where the Council proposes to refuse to register a small society lottery it will give the society an opportunity to make representations in writing or at a hearing. The Council will notify the society in writing of the outcome of the hearing and the reasons for the decision.

- 9.5 The Council may revoke a society lottery registration where it considers that it would have had to, or would be entitled to refuse an application if it were to be made at that time.

SCHEDULE A

GAMBLING ACT 2005 STATEMENT OF LICENSING PRINCIPLES: CONSULTEE LIST FOR MID SUFFOLK DISTRICT COUNCIL

1.	All Town and Parish Councils in Mid Suffolk	2.	All responsible authorities under the Gambling Act 2005
3.	ADFAM Families Drugs and Alcohol 2nd Floor 120 Cromer Street LONDON WC1H 8BS	4.	Age UK Tavis House 1-6 Tavistock Square LONDON WC1H 9NA
5.	Age UK Suffolk Unit 14 Hillview Business Park Old Ipswich Road Claydon IPSWICH IP6 0AJ	6.	Alcoholics Anonymous PO Box 1 10 Toft Green YORK YO1 7NJ
7.	Association of British Bookmakers Ground Floor Warwick House 25 Buckingham Palace Road LONDON SW1W 0PP	8.	BACTA 29-30 Ely Place LONDON EC1N 6TD
9.	Bingo Association Lexham House 75 High Street North DUNSTABLE LU6 1JF	10.	British Association of Leisure Parks, Piers & Attractions Ltd 29-30 Ely Place LONDON EC1N 6TD
11.	British Horseracing Authority 75 High Holburn LONDON WC1V 6LS	12.	Business in Sport and Leisure 17 A Chartfield Avenue Putney LONDON SW15 6DX
13.	Casino Operator's Association UK 86 Jermyn Street LONDON SW1Y 6JD	14.	Chilvers Automatics Ltd Unit H1-H2 The Seedbed Centre Wyncolls Road Severalls Industrial Park COLCHESTER CO4 9HT
15.	Citizens Advice Bureau (Cambridge Field Office) 66 Devonshire Road CAMBRIDGE CB1 2BL	16.	Crown Leisure Unit 1 Hillridge Road Martland Mill Industrial Estate Martland Park WIGAN WN5 0LS
17.	Essex Leisure Essex House 21 Eastways WITHAM CM8 3YQ	18.	Gamble Aware 7 Henrietta Street LONDON WC2E 8PS
19.	Gambler's Anonymous Doncaster CVS Intake Wellness Centre DONCASTER DN2 6PL	20.	Gamcare 1st Floor CAN Mezzanine Old Street LONDON N1 6AH

21. Gamestec Leisure Ltd Wira House Ring Road West Park LEEDS LS16 6EB	22. Gordon Moody Association 47 Maughan Street DUDLEY DY1 2BA
23. Greyhound Board of Great Britain 6 New Bridge Street LONDON EC4V 6AB	24. Horse race Betting Levy Board 5th Floor 21 Bloomsbury Street LONDON WC1B 3HF
25. Independent Betting Adjudication Service PO Box 62639 LONDON EC3P 3AS	26. Learning Disability Partnership Board Partnership Board Administrator Adult and Community Services Endeavour House, 8 Russell Road IPSWICH IP1 2BX
27. Mencap 123 Golden Lane LONDON EC1Y 0RT	28. Narcotics Anonymous UK Service Office 202 City Road LONDON EC1V 2PH
29. National Association of Bookmakers Ltd 19 Culm Valley Way Uffculme DEVON EX15 3XZ	30. National Youth Agency Eastgate House 19-23 Humberstone Road LEICESTER LE5 3GJ
31. Orwell Mencap 6 Wright Road IPSWICH IP3 9JG	32. Racecourse Association Ltd Racecourse Services Executive Racecourse Association Ltd Winkfield Road ASCOT SL5 7HX
33. Select Gaming Unit 6 Motorway Industrial Estate Forstal Road AYLESFORD ME20 7AF	34. Mid Suffolk Home Start The Principal's House Kerrison Thorndon EYE IP23 7JG
35. The Lotteries Council 66 Lincoln's Inn Fields LONDON WC2A 3LH	36. The National Casino Industry Forum Carlyle House 235-237 Vauxhall Bridge Road LONDON SW1V 1EJ
37. Suffolk County Council Social Care Service Endeavour House 8 Russell Road IPSWICH IP1 2BX	38. Suffolk Safeguarding Adult Board Endeavour House 8 Russell Road IPSWICH IP1 2BX
39. Suffolk Safeguarding Children's Board Endeavour House 8 Russell Road IPSWICH IP1 2BX	40. Mid Suffolk Citizen's Advice Bureau 5 Milton Road South STOWMARKET IP14 4EZ
41. Society for Study of Gambling Secretary Via Email	42. All Premises Licence Holders and Gaming Machine Permit Holders under the Gambling Act 2005

SCHEDULE B

Section 353 of the Gambling Act 2005 gives some general interpretation and reference for some of the main terminology used within the Act and contained within this Statement of Principles document. Except where the context otherwise requires:

"adult" means an individual who is not a child or young person,
"adult gaming centre" has the meaning given by section 237,
"alcohol licence" has the meaning given by section 277,
"authorised local authority officer" has the meaning given by section 304,
"authorised person" has the meaning given by that section,
"betting" has the meaning given by sections 9 to 11, 37 and 150,
"betting intermediary" has the meaning given by section 13,
"bingo" means any version of that game, irrespective of by what name it is described,
"casino" has the meaning given by section 7,
"casino game" has the meaning given by that section,
"Category A gaming machine" (or B, C or D) means a gaming machine falling within Category A (or B, C or D) as prescribed under section 236,
"chief constables of police forces" has the same meaning in relation to England and Wales as in the Police Act 1996 (c. 16),
"child" has the meaning given by section 45,
"club gaming permit" has the meaning given by section 271,
"club machine permit" has the meaning given by section 273,
"commercial club" has the meaning given by section 267,
"the Commission" means the Gambling Commission,
"director"-
 (a) has the meaning given by section 741 of the Companies Act 1985 (c. 6), and
 (b) includes a shadow director within the meaning of that section,
"dog track" means premises which are designed, used or adapted for use for dog-racing,
"draw", in relation to a lottery, has the meaning given by section 255,
"EEA State" means a State which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2nd May 1992 (as it has effect from time to time),
"enactment" includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament,
"enforcement officer" means a person designated or appointed as an enforcement officer under section 303,
"equal chance gaming" has the meaning given by section 8,
"exempt lottery" has the meaning given by section 258,
"external lottery manager" has the meaning given by section 257,
"fair" has the meaning given by section 286,
"family entertainment centre" has the meaning given by section 238,
"family entertainment centre gaming machine permit" has the meaning given by section 247,
"football pools" means an arrangement whereby-
 (a) people compete for prizes by forecasting the results of association football games, and
 (b) each entry to the competition must forecast the results of at least four games,
"gambling" has the meaning given by section 3,
"gambling software" has the meaning given by section 41,
"game of chance" has the meaning given by section 6,
"gaming" has the meaning given by that section,
"gaming machine" has the meaning given by section 235,
"horse-race course" means premises which are designed, used or adapted for use for horse-racing,
"horse-race pool betting" has the meaning given by section 12,
"large casino" has the meaning given by regulations under section 7(5),
"licensed family entertainment centre" has the meaning given by section 238,
"licensed premises gaming machine permit" has the meaning given by section 283,
"the licensing objectives" has the meaning given by section 1,
"licensing authority" has the meaning given by section 2,
"lottery" has the meaning given by section 14 (and section 256),
"lottery manager's operating licence" has the meaning given by section 98,
"lottery ticket" has the meaning given by section 253,
"machine" has the meaning given by section 235(3)(a),
"members' club" has the meaning given by section 266,
"miners' welfare institute" has the meaning given by section 268,
"the National Lottery" has the meaning given by section 1 of the National Lottery etc. Act 1993 (c. 39),

"non-commercial betting" has the meaning given by section 302,
"non-commercial gaming" has the meaning given by section 297,
"non-commercial society" has the meaning given by section 19,
"occasional use notice" means a notice given under section 39,
"operating licence" means a licence issued under Part 5,
"on-premises alcohol licence" has the meaning given by section 277,
"participant", in relation to a game of chance, includes a person who discharges an administrative or other function in relation to the game,
"participation fee" has the meaning given by section 344,
"passenger vessel" means a vessel which is carrying or expected to carry at least one passenger,
"personal licence" means a licence issued under Part 6,
"pool betting" has the meaning given by section 12,
"premises" includes any place and, in particular-
 (a) a vessel, and
 (b) a vehicle,
"premises licence" means a licence issued under Part 8,
"private betting" has the meaning given by section 295 and Part 2 of Schedule 15,
"private gaming" has the meaning given by section 295 and Part 1 of Schedule 15,
"private gain" is to be construed in accordance with section 19(3),
"prize" in relation to gaming (except in the context of a gaming machine) has the meaning given by section 6,
"prize" in relation to a gaming machine has the meaning given by section 239,
"prize" in relation to a lottery has the meaning given by section 14,
"prize gaming" has the meaning given by section 288,
"prize gaming permit" has the meaning given by section 289,
"proceeds", in relation to a lottery, has the meaning given by section 254,
"profits", in relation to a lottery, has the meaning given by that section,
"profits", in relation to non-commercial prize gaming, has the meaning given by section 299,
"racecourse" means premises on any part of which a race takes place or is intended to take place,
"real", in relation to a game, event or process means non-virtual,
"relevant offence" has the meaning given by section 126 and Schedule 7,
"remote communication" has the meaning given by section 4,
"remote gambling" has the meaning given by that section,
"remote gambling equipment" has the meaning given by section 36,
"remote operating licence" has the meaning given by section 67,
"rollover", in relation to a lottery, has the meaning given by section 256,
"small casino" has the meaning given by regulations under section 7(5),
"society" includes a branch or section of a society,
"stake" means an amount paid or risked in connection with gambling and which either-
 (a) is used in calculating the amount of the winnings or the value of the prize that the person making the stake receives if successful, or
 (b) is used in calculating the total amount of winnings or value of prizes in respect of the gambling in which the person making the stake participates,
"supply" includes-
 (a) sale,
 (b) lease, and
 (c) placing on premises with permission or in accordance with a contract or other arrangement,
"temporary use notice" has the meaning given by section 215,
"track" means a horse-race course, dog track or other premises on any part of which a race or other sporting event takes place or is intended to take place,
"travelling fair" has the meaning given by section 286,
"vehicle" includes-
 (a) a train,
 (b) an aircraft,
 (c) a seaplane, and
 (d) an amphibious vehicle (other than a hovercraft within the meaning of the Hovercraft Act 1968 (c. 59)),
"vessel" includes-
 (a) anything, other than a seaplane or an amphibious vehicle, designed or adapted for navigation or other use in, on or over water,
 (b) a hovercraft (within the meaning of the Hovercraft Act 1968), and,
 (c) anything, or any part of any place, situated in or on water,
"virtual" has the meaning given by subsection (3) below,
"winnings", in relation to a bet, means anything won, whether in money or in money's worth, and
"young person" has the meaning given by section 45.

SCHEDULE C

Summary of machine provisions by premises

Premises Type	Machine Category						
	A	B1	B2	B3	B4	C	D
Large casino (machine/ table ratio of 5:1 up to maximum)		Maximum of 150 machines Any Combination of machines in categories B to D (except B3A machines), within the total limit of 150 (subject to machine/table ratio)					
Small casino (machine/ table ratio of 2:1 up to maximum)		Maximum of 80 machines Any Combination of machines in categories B to D(except B3A machines), within the total limit of 80 (subject to machine/table ratio)					
Pre-2005 Act casino (no machine/table ratio)		Maximum of 20 machines categories B to D (except B3A machines) Or any number of C or D machines instead					
Betting premises and tracks occupied by pool betting		Maximum of 4 machines categories B2 to D (except B3A machines)					
Bingo premises						Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4 *	No limit on category C or D Machines
Adult Gaming Centre						Maximum of 20% of total number of gaming machines which are available for use on the premises categories B3 or B4 *	No limit on category C or D Machines
Family Entertainment Centre (with premises licence)						No limit on Category C or D machines	
Family Entertainment Centre (with permit)						No limit on Category D machines	
Clubs or miners' welfare institutes (with permit)						Maximum of 3 machines In categories B3A or B4 to D **	
Qualifying alcohol licensed premises						1 or 2 machines of category C or D automatic upon notification	
Qualifying alcohol licensed premises (with gaming machine permit)						Number of category C-D machines as specified on permit	
Travelling fair						No limit on category D machines	
	A	B1	B2	B3/B3A	B4	C	D
Maximum stake	Unlimited	£5	£100 (in £10's)	£2 (B3) £2 (B3A)	£2	£1	Variable see table below
Maximum prize	Unlimited	No more than £10,000 ***	£500	£500	£400	£100	Variable see table below

Note: Machine category stakes/prizes may be subject to periodic regulatory amendment .

* Adult gaming centre and bingo premises are entitled to make available a number of Category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises. Premises in existence before 13 July 2011 are entitled to make available four (adult gaming centre premises) or eight (bingo premises) category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Adult gaming centre premises and bingo premises licences granted on or after 13 July 2011 but before 1 April 2014 are entitled to a maximum of four or eight category B gaming machines or 20% of the total number of gaming machines, whichever is the greater; from 1 April 2014 these premises will be entitled to 20% of the total number of gaming machines only. But not B3A machines.

** It should be noted that members' clubs and miners' welfare institutes are entitled to site a total of three machines in categories B3A to D but only one B3A machine can be sited as part of this entitlement. Commercial clubs are entitled to a total of three machines in categories B4 to D.

*** Or – Where the prize value available through its use is wholly or partly determined by reference to use made of one or more other sub-category B1 machines, no more than £20,000.

D non-money prize (other than crane grab machine or a coin pusher or penny falls machine)	30p	£8
D non-money prize (crane grab machine)	£1	£50
D money prize (other than a coin pusher or penny falls machine)	10p	£5
D combined money and non-money prize (other than coin pusher or penny falls machines)	10p	£8 (of which no more than £5 may be a money prize)
D combined money and non-money prize (coin pusher or penny falls machine)	20p	£20 (of which no more than £10 may be a money prize)

Gambling Activities: Children and Young Persons

A **Child** means an individual who is less than 16 years old (section 45(1)).

A **Young Person** is an individual aged 16 or 17 years old (section 45(2)).

With limited exceptions, the intention of the Gambling Act 2005 is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult only environments.

Part 4 of the Gambling Act 2005 states the requirements in relation to protection of children and young persons, principle offences and any exceptions.

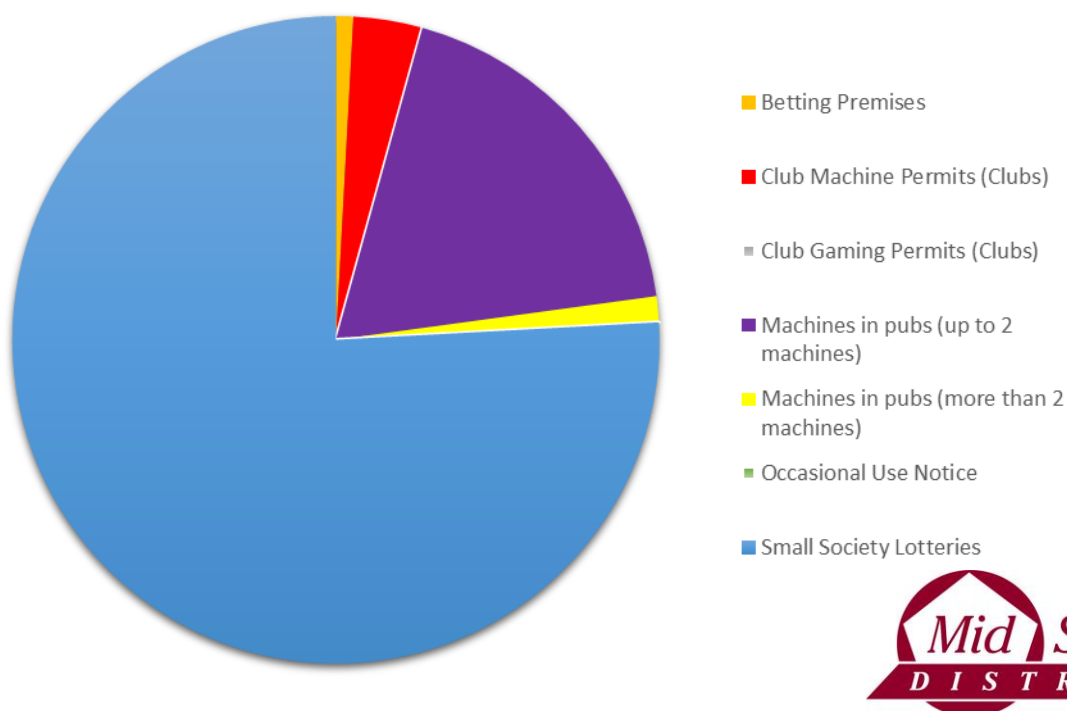
SCHEDULE E

Local Area Profile and Risk Assessments

Licensing authorities are already familiar with a risk-based approach to compliance, and targeting resources and effort where risk is greatest. The local area profile is simply a way of describing a process of gathering and presenting information about a locality and any particular areas of concern within that, to explain and underpin the approach that the licensing authority will apply. It gives clarity to operators as to the licensing authority's view of risk and the relevant factors in its decision making.

The Licensing Authority understands the need for ongoing engagement with other prescribed statutory bodies, defined as Responsible Authorities under the Act. The Licensing Authority will seek to draw upon the expertise and knowledge of responsible authorities and others to ensure its approach is informed by all relevant sources of local knowledge and expertise, when developing local area profiles.

GAMBLING ACT 2005 ACTIVITY MID SUFFOLK DISTRICT - MID 2018



1. (a) As of mid-2018 Mid Suffolk District Council authorises 2 licensed gambling premises. These premises consist of betting premises (non-track) and are based within the main market town of Stowmarket.
- (b) The majority of non-premises licensed gambling activity in the district relates to notifications and permits for gaming machines, gaming in members clubs and pubs. The Licensing Authority also deals with a significant number of enquiries around non-commercial equal chance gaming and enquiries made for activities not requiring any gambling authorisation – subject to limitations. Small society lottery registrations are also a main area of activity (with around 176 registered societies in Mid Suffolk mid-2018) mostly for the benefit of (non-private gain) good causes within the district.

- (c) At the time of preparing this edition of the statement of principles there has been no evidence, or intelligence, presented to Mid Suffolk District Council to support any assertion that any part of the district had or is experiencing problems from gambling activities. This position will be kept under review and, in the event that it changes, further research will be carried out to discover the extent of the problems and to prepare an area profile accordingly which will identify, quantify and map the vulnerabilities and other relevant features of the local area. The statement of principles may be revised as a consequence.
- (d) Gambling premises have not featured on any night time economy police statistics/hot-spots and the Licensing Authority has received no representations at the time of applications or variations, beyond comments from residents relating to 'commercial need' or 'demand' for gambling premises (see 1.7 of this statement of principles).
- (e) The Licensing Authority will monitor any local concerns brought to its attention in the future, along with any linked crimes, and/or representations; with a view to identifying areas of concern and mapping vulnerabilities.
2. (a) The Gambling Commission issue codes of practice under section 24 of the Gambling Act 2005, about the manner in which facilities for gambling are provided to ensure that:
- gambling is conducted in a fair and open way;
 - children and other vulnerable people are protected from being harmed or exploited by gambling; and
 - assistance is made available to people who are, or may be, affected by problems related to gambling.
- (b) Codes of practice are either:
- Social responsibility code** provisions - which must be adhered to by all licence holders; or
- Ordinary code** provisions – these do not have the status of licence conditions but failure to take account of them can be used as evidence in criminal or civil proceedings.
- (c) New code provisions covering risk assessments and local authority area profiles are due to come into force in April 2016 (outside of the timeframe of this statement of principles revision). More detail can be found by going to the Gambling Commission website at www.gamblingcommission.gov.uk

The following are extracts relating to this aspect:

- Operators will be required to prepare a risk assessment for their business which takes into account the nature and characteristics of the locality in which they are situated. For example the proximity of schools, churches, etc. and/or whether the business is located on a walking route for local schools.
- Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in the licensing authority's statement of principles.

- Licensees must review (and update as necessary) their local risk assessments:
 - to take account of significant changes in local circumstances, including those identified in a licensing authority's statement of licensing policy;
 - when there are significant changes at a licensee's premises that may affect their mitigation of local risks;
 - when applying for a variation of a premises licence; and
 - in any case, undertake a local risk assessment when applying for a new premises licence.
- (d) For all non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences, licensees should share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request.
- (e) Such risk assessments can make reference to the Local Authority Area profile which may be compiled with respect to reported gambling-related problems in an area.

Appendix B

Summary of changes made to Statement of Principles (Fifth Edition) for 2019 to 2022

Amendments made in respect of dates, Guidance reference numbers and Statement of Principles edition throughout this document.

Gamble Aware in the document has been amended to Be Gamble Aware where stated throughout the document.

New wording is in red below and previous wording is in blue

Preface amendments

The preface now starts with “**Core content of this ‘Gambling Act 2005: Statement of Principles’ has been drafted in partnership.....**” instead of “**This ‘Gambling Act 2005: Statement of Principles’ document has been drafted in partnership.....**”

This change is to show that the core content of this Policy document has been created in partnership with the 7 districts and borough’s in Suffolk and that any new changes have been made by Mid Suffolk District Council only.

The second main preface change is to remove reference to the draft fifth edition of the Gambling Commission’s Statutory Guidance as this is now no longer a draft. Delete text “**The Licensing Authority is aware of draft fifth edition Gambling Commission Guidance in the preparation of this document, but this had not been published in a final approved form within the preparation time for the Authority’s statutory statement of principles revision. For further reference please see paragraph 2.6 of this statement of principles document.**”

Introduction

The introduction in Part A has been updated with the latest population figures before this document is adopted.

The other change in introduction is to show the Council’s new address and also the customer access locations for the viewing of the draft Statement of Principles during consultation period.

Interested Parties

Change to 5.2 of the Policy are to include details of Interested Parties living sufficiently closed to the premises. New (iii), (iv) and (v) to reflect the Statutory Guidance in Part 8.

Previous wording

5.2 The Licensing Authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party. These principles are:

- each case will be decided upon its merits; and
- the Licensing Authority will not apply a rigid rule to its decision making. It may have regard to a number of factors, for example:
 - (i) the size of the premises;
 - (ii) the nature of activities the applicant proposes to provide at the premises; and
 - (iii) guidance from the Gambling Commission that “business interests” should be given the widest possible interpretation (see paragraph 6.25 of the Gambling Commission’s guidance).

New wording

5.2 The Licensing Authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party (including whether a person lives sufficiently close to the premises). These principles are:

- each case will be decided upon its merits; and
- the Licensing Authority will not apply a rigid rule to its decision making. It may have regard to a number of factors, for example:
 - (i) the size of the premises;
 - (ii) the nature of the premises (including activities the applicant proposes to provide);
 - (iii) the distance of the premises from the location of the person making the representation;
 - (iv) the potential impact of the premises such as the number of customers, route likely to be taken by those visiting the establishment;
 - (v) the circumstances of the person who lives close to the premises. This is not their personal characteristics, but their interests which may be relevant to the distance from the premises; and
 - (vi) guidance from the Gambling Commission that “business interests” should be given the widest possible interpretation (see paragraph 8.14 of the Gambling Commission’s guidance).

Exchange of Information

The only change to exchange of information is to update the Data Protection Act to 2018 instead of 1998

Enforcement

7.2 now reflect that the Corporate Enforcement Policy is a Joint one between Babergh and Mid Suffolk

7.6 amends the 'Better Regulation Delivery Office' to its new title of 'Office for Product Safety and Standards'

1.9 Licensing Objectives (Part B)

Under 'Ensuring that gambling is conducted in a fair and open way' we have included details of the Authority's role in relation to tracks

"The Licensing Authority's role in relation to tracks will be different from other premises, in that track owners will not necessarily hold an operating licence with the Gambling Commission. In such circumstances the premises licence may need to contain conditions to ensure that the environment in which betting takes place is suitable. The Licensing Authority will have regard to the Gambling Commission's Guidance at Part 20 when considering such matters."

Amendment under Protection Children and other vulnerable persons objective, final bullet point has been amended to include some additional wording "may not be able to make informed or balanced decisions about gambling due to, for example mental health, a learning disability or substance misuse relating to alcohol or drugs" this change brings the bullet point into line with the Statutory Guidance.

Conditions 1.10

Second Bullet point in the second lot of bullet points entitled "Any conditions attached by the Licensing Authority to a premises licence shall be:" now reads "directly related to the premises (including the locality and any identified local risk) and the type of licence applied for", this change brings the bullet point into line with changes to the Statutory Guidance. Previous wording was "proportionate and directly related to the premises and the type of licence applied for"

Additional wording has been added to the third lots of bullet points, third bullet point now reads "conditions which provide that membership of a club or body cannot be required by attaching a condition to a premises licence (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated)" changes are made in red to bring this bullet point into line with the Guidance.

1.14 (b) amendment here to update the body responsible for criminal record checks to the DBS (Disclosure and Barring Service) – This body has also been amended throughout the policy document.

Tracks

7.1 - the section of the Act (S353) has been added for referred as to where tracks are defined under the Act.

7.1 has been split at examples of tracks to a new 7.2 and now reads before the examples "The Act does not give a list of premises that are officially recognised as

'tracks', but there are a number of venues that could be classed as tracks, examples of tracks may include:", this change has been made to reflect the Statutory Guidance.

7.3 The different types of betting facilities – previously showed three types of approval (previously shown as authorisation) Occasional Use Notice, Temporary Use Notice and Track Premises Licence. Temporary Use Notice has been removed to reflect the Statutory Guidance which only states two types of approval at Tracks.

Part C

Club Gaming and Club Machines Permits have been amended to show that only one B3A machines can be made available as part of the entitlement to three machines under these permits. New wording is at 4.1 first bullet point is "make available for use up to 3 gaming machines of categories B3A to D (only one B3A can be made available as part of this entitlement).

New wording at 5.1 Members' Clubs and Miners' Welfare Institutes and Commercial Clubs may apply for a Club Machine Permit, which enables the premises to make available for use up to 3 gaming machines of categories B3A to D (only one B3A can be made available as part of this entitlement (Members clubs and Miner's welfare institutes only (i.e. not commercial clubs)). Previous worded as Members' Clubs and Miners' Welfare Institutes and Commercial Clubs may apply for a Club Machine Permit, which enables the premises to make available for use up to 3 gaming machines of categories B4, C and D. Members' clubs and Miner's Welfare Institutes only may also make available for use category B3A machines offering lottery games in the club under a club machine permit. This amendment reflects the Statutory Guidance and Statutory Instruments.

(Alcohol) Licensed Premises Gaming Machine Permits at 2.1 bullet point 2 the example has been amended to the reflect the updated example in the Guidance, and now reads "gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act, for example the gaming machines have been made available in a way that does not comply with requirements on the location and operation of gaming machines" previous wording gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the Licensing Authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with".

Agenda Item 11

MID SUFFOLK DISTRICT COUNCIL

TO: Council	REPORT NUMBER: MC/18/33
FROM: Councillor Gerard Brewster - Chair of MSDC Suffolk Holdings Ltd	DATE OF MEETING: 19 December 2018
OFFICER: Emily Atack – Managing Director CIFCO & Gateway 14	KEY DECISION REF NO. CNL23

Performance Overview of Mid Suffolk District Council (Suffolk Holdings) Holding Company

1. PURPOSE OF REPORT

- 1.1 To provides Elected Members with an update across the Council's investment portfolio and commercial activities for the period April 2018 to December 2018.

2. OPTIONS CONSIDERED

- 2.1 This report is for noting only and as such there are no options to be considered.

3. RECOMMENDATION

- 3.1 To note the contents of this report

REASON FOR DECISION

To provide an update to Council.

4. KEY INFORMATION

CIFCO CAPITAL LTD

- 4.1 2018/19 Business Plan approved by CIFCO Board on 19th April and was unanimously approved by both BDC and MSDC Holding Companies on 25th April, with approval by the two shareholding Councils in July.
- 4.2 CIFCO held its first Annual General Meeting in August 2018.
- 4.3 A tender exercise has been concluded to appoint a managing agent for the portfolio and included 3 parties; Workman, MJ Mapp and Aston Rose. Interviews were held in August 2018 and Workman was subsequently recommended and appointed subject to contract. The contract is currently with Birketts for review, following input from JLL, CIFCO and the Managing Director. Workman continue to provide property management services on an interim basis.
- 4.4 In the last 6 months 2 further acquisitions have been purchased, both of which sit within the industrial sector; 1 of which is a local asset within Ipswich.

- 4.5 To date 8 assets have been acquired with the fund just over 70% invested, at circa £35m. This provides the council with a 10% equity value of £1.766m
- 4.6 This will bring a net revenue to Mid Suffolk District Council of £549,000 in 2018/19 financial year. This equates to payment for circa 16 grade 4 staff.
- 4.7 Emily Atack was successfully appointed to the role of Managing Director to the companies with effect from 16th August 2018.

GATEWAY 14 LTD

- 4.8 The acquisition of the site completed in August 2018. The site has the benefit of an outline planning consent for B1, B2 and B8 uses together with a detailed planning consent for the first phase of infrastructure including an access road and drainage lagoon.
- 4.9 Gateway 14 Limited are now considering the most appropriate way to bring the site forward and have appointed GVA to assist with the marketing and delivery plan for the site.
- 4.10 Master planners have also been appointed to prepare a plan of the site showing a range of plot sizes suitable for B1, B2 and B8 uses. This plan will be used to inform phasing of the site, discharge of some planning conditions, cost planning and for marketing purposes.
- 4.11 In addition, cost consultants have been appointed to prepare more detailed costing for the infrastructure and necessary enabling works.
- 4.12 It is anticipated that the site will be brought to market towards the end of the year once all of the pre-marketing activities have been completed.
- 4.13 The site will be marketed to occupiers and delivery partners. Gateway 14 Ltd have been approached by several occupiers in advance of formal marketing commencing, who are keen to discuss opportunities on site. Conversations have commenced with interested parties of both local and national occupiers with potential requirements.
- 4.14 Gateway 14 Ltd are also required to maintain and keep the land secured now that it is within their ownership. This includes erecting fencing and landscaping works. A short-term farm tenancy has been granted on the site to minimise the costs of security and maintenance.
- 4.15 The site adjacent to Gateway 14, known locally as Stowmarket East (or Phase 2) is now being offered for sale as a whole. The site comprises approximately 54 acres (22 hectares) and benefits from a resolution to grant outline planning consent for up to 530,000 sq ft of employment uses.

5. Future Key Activities

CIFCO CAPITAL LTD

- 5.1 Three further assets are currently under offer with the associated legal and non-legal due diligence ongoing. Completion on these acquisitions is anticipated for late December early January and will see the portfolio circa £48m invested.

- 5.2 Full investment was originally anticipated to be achieved by January 2019, however the market over the summer period was notably quiet in terms of opportunities being bought to market. Three further assets are currently under offer with the associated legal and non-legal due diligence ongoing. Completion of these acquisitions is anticipated for late December early January and will see the portfolio circa £48m invested. We are confident that we will be fully invested before the end of March 2019.
- 5.3 A review of the current Investment Strategy is due to take place in January which will subsequently inform the annual review of the Business Plan for 2019/20.

GATEWAY 14 LTD

- 5.4 Production of a final master plan following further input from engineers in terms of infrastructure and plateau works and utilities advice. A final masterplan with indicative costs is expected in February 2019.
- 5.5 Development of a communications strategy and detailed project plan.
- 5.6 Engagement with planners, potential investors and potential occupiers will continue.
- 5.7 Marketing to invite formal expressions of interest is anticipated to commence in February 2019.
- 5.8 Appointment of an additional Councillor to the board of directors.
- 5.9 The Managing Director and finance team are progressing the funding documents for the purchase loan and subject to agreement at Cabinet the working capital facility.

6. LINKS TO JOINT STRATEGIC PLAN

- 6.1 Property investment to generate income and regenerate local areas
- 6.2 Financially sustainable Councils

7. FINANCIAL IMPLICATIONS

There are no direct financial implications of this report which is for noting purposes only

8. LEGAL IMPLICATIONS

- 8.1 There are not direct legal implications of this report, however it is appropriate for governance purposes for the companies to report performance and risk updates.

9. RISK MANAGEMENT

This report is most closely linked with the Council's Significant Business Risk Nos. 4a and 4e.

Risk Description	Likelihood	Impact	Mitigation Measures
4a) If the Capital Investment Fund (CIF) does not generate forecast investment returns, we may be unable to meet the income projections for the Councils	2	3	CIFCO has now invested approximately 70% of the fund and is on track to complete the investment by April 2019 in line with its business plan. CIFCO activity continues to be closely monitored, together with market conditions and any changes or prospective changes in government legislation.
4e) Gateway 14 Ltd fails to bring forward the development of site. Income and Capital projections and economic outcomes may not be delivered.	2	3	Appropriate treasury management advice being applied. Gateway 14 Ltd has engaged a knowledgeable and experienced Board of Director to enable the delivery of the scheme and is being supported by market leading experts in preparing a delivery strategy for the site

10. CONSULTATIONS

- 10.1 This report is for information purposes, no formal consultation has been undertaken in respect of this report, however the directors of the holding companies' are provided with regular updates.

11. EQUALITY ANALYSIS

Equality Impact Assessment (EIA) not required.

12. ENVIRONMENTAL IMPLICATIONS

- 12.1 There are no direct environmental implications for this report.

13. BACKGROUND DOCUMENTS

- 13.1 BMSINVEST: Performance, Risk and Governance Update – 24th April 2018
 CIFCO Business Plan 2018/19 (Confidential Document)