

DECISION-MAKER:	LICENSING COMMITTEE		
SUBJECT:	GAMBLING ACT 2005 – LARGE CASINO LICENCE. PROPOSAL TO DELAY THE COMMENCEMENT OF STAGE 2		
DATE OF DECISION:	16 DECEMBER 2014		
REPORT OF:	HEAD OF LEGAL AND DEMOCRATIC SERVICES		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
None	
BRIEF SUMMARY	
The Licensing Committee is requested to consider the timetable for Stage 2 of the process in the light of the contents of the report.	
The report details the current situation in relation to the second stage of the Casino Licence which the Council had indicated would commence on 6 October 2014 and the reasons why it has not done so.	
RECOMMENDATIONS:	
	(i) that the Committee consider this report and the supporting information provided by the applicants;
	(ii) determine whether Stage 2 of the competition should commence immediately (i.e. as soon as practical) or be the subject of a delay as requested by the RPW developer; and
	(iii) determine whether the whole process should commence again.
REASONS FOR REPORT RECOMMENDATIONS	
1	Members will recall that Stage 1 of the Large Casino Licence was concluded on 4 September 2014 when the Committee decided to grant provisional statements in respect of all of the seven provisional applications that the Council received. Five of these applications related to the Council's preferred location, namely the Royal Pier Waterfront (RPW) site at Mayflower Park. The remaining two applications relate to two separate different sites.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2	One of the applicants, Gentings has suggested that the whole process be restarted completely. Members are recommended to dismiss this proposal as unnecessary and disproportionate to the issues in hand and without merit in these circumstances.
3	The draft timetable that the Authority indicated that Stage 2 of the process would commence on 6 th October 2014 but this was decided in April 2013. At

	the time of the 4 th September meeting, Council officers believed that Stage 2 of the process could feasibly commence as timetabled.
DETAIL (Including consultation carried out)	
4	On 19 th September 2014 the Authority received a letter from Aspers, one of the Applicants for the RPW site, to the effect that they had met with the developers and found that they were substantially behind schedule in terms of being able to deliver to an applicant the detailed plans that Stage 2 requires. A copy of their letter is attached in Appendix 3.
5	Aspers requested the Council delay the commencement of Stage 2 and intimated that if this was not agreed then they may have to consider withdrawing from the process as the information about the development was simply not available and unlikely to be within the indicative timescale.
6	On 24 th September 2014 an email was received from Grosvenor with a similar request specific to the RPW site although they didn't go as far as suggesting that they may withdraw from the process. A copy of their e mail is attached in Appendix 4.
7	Both of these requests were unsolicited.
8	This was the first moment that the Council were made aware of a potential issue with the timetable as it appeared that the developers were not and would not be in a position to provide the five applicants the detailed information that Stage 2 requires. A copy of the Council's information requirements that has been published on our website since 2013 is attached in Appendix 2.
9	<p>With these requests in mind and at the instigation of the Council's Economic Development department, a meeting was arranged with Lucent, the developer on 30th September 2014. The attendees and notes of the meeting are attached in Appendix 5. Members will observe that one of the attendees was Andrew Cotton, a solicitor who at that meeting was acting on behalf of Lucent, the developer. He has also acted for Kymeira Casino Ltd, one of the RPW site applicants. Whether Mr Cotton should or should not have been at the meeting has been the subject of concern among some of the Applicants. In hindsight, Mr Cotton should have been recorded at the meeting as representing the Lucent Group rather than representing an applicant. It is a fine distinction since Kymeira's application was backed by RPW, the developer.</p> <p>Given that the Council has declared a preferred site, it is imperative that the Council be kept up to date with developments as to the progress of the site as it is so closely intertwined with the Licensing process.</p>
10	Kymeira Casinos Ltd, as an applicant are supportive of the application to delay the start of Stage 2. Their e mail is detailed in Appendix 6. Email from Andrew Cotton.
11	Faced with this situation, the Council sent an e mail to each of the Applicants explaining the request from two of the Applicants, the fact that we had met with the developer and suggested that a common sense approach would be to delay Stage 2 for around 6 months, given that the Council has never made a secret of its desire to see the Large Casino as part of the RPW development.
12	Global Gaming Ventures (GGV) objected strongly to this approach and have put forward arguments that they were fully committed to having to commence Stage 2 on the indicated date, that they were not prepared to

	recognise any decision to delay and that they were progressing as though Stage 2 had commenced. Details of these assertions can be seen in Appendix 7.
13	Genting criticised the meeting of 30 th September 2014, the fact that Council officers attended a meeting with the developer and an applicant and that this was against the requirements of openness and transparency that are stipulated within the guidelines. Their response can be found at Appendix 8 where they have suggested that the Council commences the whole process again.
14	On 14 th November 2014 the Council wrote to each applicant to inform them that the matter of the delay would be heard at a Licensing Committee and that certain documents relevant to each individual applicant would be placed before the Committee subject to them consenting to the material being included.
15	The letters to each of the Applicants are detailed in Appendices 9 -13.
16	The responses that have been received are detailed in Appendices 14 (Aspers) and (GGV) 15 and 17 -19. Should any more be received between the drafting of this report and the meeting they will be sent through as additional documentation.
17	Lucent, acting on behalf of the RPW developer sent a letter dated 27 th November 2014 detailing their observations and reiterating their support that Stage 2 should not commence before April 2015. The letter is attached as Appendix 16.
18	It is intended that each Applicant will have the committee report prior to the meeting and be invited to address the Committee with their respective position. We have asked for written representations where possible in order to assist Members understand the competing arguments in advance of the meeting.
19	Should any additional information be received between the submission of the report and the Committee meeting, a copy will be made available to Members and Applicants.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
20	There are no direct financial implications from this report save that if applicants withdraw from being able to submit detailed Stage 2 applications in respect of the RPW site this may materially impact on the competition and the ability to achieve the "greatest benefit" [to the city] test as envisaged under the Gambling Act 2005.
<u>Property/Other</u>	
21	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
22	Gambling Act 2005
<u>Other Legal Implications:</u>	

23	Members are referred to the relevant extract from the Council's Statement of Principles that relate to the Gambling Act. This is detailed in Appendix 1.
POLICY FRAMEWORK IMPLICATIONS	
24	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	Bargate

SUPPORTING DOCUMENTATION

Appendices

1.	Extract from SCC 'Statement of Principles' Gambling Licensing Policy
2.	SCC documents detailing Council's requirements for Stage 2 of the process
3.	Aspers letter dated 19 th September 2014
4.	e mail from Grosvenor (Rank) dated 24 th September 2014
5.	Notes of meeting 30 th September 2014
6.	e mail dated 10 th October 2014 from Andrew Cotton on behalf of Kymeira Casinos Limited
7.	e mail from Bond Dickinson (GGV legal representatives) to SCC 7 th October 2014
8.	Genting Casinos letter dated 17 th October 2014 to SCC
9.	Letter to Aspers dated 14 th November 2014 detailing convening Committee meeting and documents that relate to their comments concerning the prospect of delaying Stage 2
10.	Letter to Gentings dated 14 th November 2014 detailing convening Committee meeting and documents that relate to their comments concerning the prospect of delaying Stage 2
11.	Letter to GGV dated 14 th November 2014 detailing convening Committee meeting and documents that relate to their comments concerning the prospect of delaying Stage 2
12.	Letter to Grosvenor dated 14 th November 2014 detailing convening Committee meeting and documents that relate to their comments concerning the prospect of delaying Stage 2
13.	Letter to Kymeira dated 14 th November 2014 detailing convening Committee meeting and documents that relate to their comments concerning the prospect of delaying Stage 2
14.	Letter from Aspers dated 19 th November 2014 in response to letter dated 10 th November 2014
15.	Note from GGV in response to letter dated 10 th November 2014
16.	Note from Lucent dated 27 th November 2014
17.	Annex 1 from GGV letter dated 10 th November 2014
18.	Annex 2 from GGV [DCMS Code of Practice] letter dated 10 th November

	2014
19.	SCC Procedure Note. Competition for grant of Large Casino Premises Licence. March 2013
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
Other Background Documents	
Equality Impact Assessment and Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	http://www.southampton.gov.uk/business-licensing/licensing/gambling-act-2005/statement-principles.aspx (Southampton City Council's Gambling Statement of Licensing Principles - 1 January 2013)