

ABERDEEN CITY COUNCIL

LICENSING BOARD

23 SEPTEMBER 2025

VARIATION OF A CASINO PREMISES LICENCE

MERKUR CASINO ENTERTAINMENT UK LIMITED

59 SUMMER STREET, ABERDEEN, AB10 1SJ

APPLICANT'S BACKGROUND INFORMATION

Index

Section A	Background to the application	Paragraph 1-10
Section B	The applicant	Paragraph 11-17
Section C	Regulatory compliance	Paragraph 18-22
Section D	The law	Paragraph 23-34
Section E	Application of section 153 principles	Paragraph 35-49
Section F	No representations	Paragraph 50
Section G	Conclusion	Paragraph 51-52

A. BACKGROUN TO THE APPLICATION

1. The Merkur Casino Group acquired the casino premises from Double Diamond Gaming Limited on the 4th May 2023. Following an internal transfer of the business between group licensees, Merkur Casino Entertainment UK Limited (“the applicant”) has traded at 59 Summer Street, Aberdeen since January 2024.
2. The Converted Casino Premises Licence (0051) permits the premises to be used for the provision of facilities for the playing of casino games, including games of equal chance and the operation of gaming machines as permitted under the Gambling Act 2005. The premises operational hours for the provision of gambling activities as prescribed by the default condition under the Gambling Act 2005 (Mandatory and Default Conditions)(Scotland) Regulations 2007 (“the Regulations”) are Sunday to Monday 12:00 (midday) until 06:00.
3. The licence is subject to the mandatory conditions provided the Regulations.
4. Since operating under the Merkur Casino group, over the last 28 months, the premises has traded without any complaint or issue raised by any resident, responsible authority or any other agency.
5. The Applicant now applies to vary its licence to update the licensing plans attached to the converted casino premises licence to ensure consistency with the premises layout and the premises licence issued under the Licensing (Scotland) Act 2005. The plans have also been updated to incorporate all areas within the premises demise, including the external smoking area, which is within the self-contained rear yard of the premises. The licensed gaming area has been slightly increased to incorporate a designated area within the smoking shelter to permit a number of gaming machines to be operated during permitted hours.
6. The application does not seek to vary the permitted hours or activities currently permitted under the premises licence and all existing operational safeguards, controls and effective premises management will continue to be applied.

7. The applicant has sought to make this application in a way which recognises and fully respects Aberdeen City Council Licensing Boards' Statement of Gambling Policy dated January 2025 to 2028.
8. A detailed Local Area Risk Assessment is maintained at the premises and a copy has been supplied in support of the application.
9. During the statutory consultation period, which ran from the 25th June 2025 until the 22nd July 2025 no representations were received by the Licensing Board and we are not aware of any queries or concerns being raised by any responsible authorities or interested parties.
10. The Board will be aware of the following, but to assist with its consideration of the application, the following documents have been provided for reference:
 - Extracts of the Gambling Commission's Guidance to Licensing Authorities
 - Extract from Hansard Parliamentary debate on prevention of public nuisance as a Licensing Objective under the Gambling Act 2005
 - Extract of Paterson's Licensing Acts 2025
 - Gambling Act 2005 (Mandatory and Default Conditions) (Scotland) Regulations 2007

The Board may also wish to consider The Gambling Commission's Licence Conditions and Codes of Practice applicable to non-remote casino licences.

B. THE APPLICANT

11. The Merkur Casino Group is a national provider of gambling facilities and operates to the highest standards of social responsibility and compliance.
12. The applicant currently operates two trading casinos, the converted casino premises in Aberdeen and a Large Casino premises in Milton Keynes. The Merkur Group has over 220 trading premises.
13. The applicant's regulatory record is as follows:

- It has been granted licences in every premises it has applied for.
 - None of its trading licences have ever been reviewed.
14. Its systems, staff training, compliance monitoring and audit have proved sufficient to ensure that the licensing objectives are promoted.
15. It is a record of which the applicant is proud and guards with care. In the very rare event of any kind of issue, it will always liaise with relevant authorities to ensure that it is resolved promptly and effectively.
16. The reasons for the applicant's excellent, in fact unblemished, record are summarised as follows:
- (1) The applicant has detailed systems for compliance with the law and promotion of the licensing objectives, which it a) implements through staff training and management programmes, b) supervises through area and national management oversight and c) audits, including through independent audit.
 - (2) Those under the influence of drugs are not admitted.
 - (3) Children are not admitted.
 - (4) The layout of the premises facilitates effective supervision.
 - (5) Good quality CCTV systems are fitted inside and out so that customers know they are under surveillance.
 - (6) Venues are subject to security risk assessments, so that any further measures needed are periodically assessed and undertaken.
 - (7) The applicant maintains good liaison with local Police.
17. All in all, it the applicant sets out to provide a safe, welcoming and pleasant environment for customers while also promoting the licensing objectives.

C. REGULATORY COMPLIANCE

18. The applicant is part of the Gauselmann group, which is one of the most experienced providers of gaming premises across the UK, including adult gaming centres and bingo premises.

19. As stated above, the applicant and its sister companies regard compliance with the law and licensing objectives as paramount. In practical terms this entails a strong focus on staff training and management programmes, supervision through area and national management oversight, together with independent audit.

20. Casino premises are subject to a high degree of regulation in order to support the licensing objectives, including the following:

- Premises and their management and operation are subject to the Gambling Commission's extensive Licence Conditions and Codes of Practice applicable to non-remote casino operating licences.
- Premises licences are subject to mandatory and default conditions set by the Scottish Ministers with the approval of the Scottish Parliament.
- The number of machines, the way they operate and their stake and prize limits, are strictly regulated through the Gambling Act 2005 (by Parliament), regulations (by the Secretary of State) and technical standards (by the Gambling Commission).
- Operators are also answerable to the Gambling Commission. They have to provide regulatory returns, report on key events and subject themselves to periodic corporate assessments.
- Premises may also be visited by licensing officers and Gambling Commission officers, who will check on their compliance.
- Good quality CCTV systems are fitted to the exterior of the premises and are monitored. Those outside know they are under surveillance. If loitering occurs, it is dealt with.

21. *Protection of vulnerable people from being harmed or exploited by gambling.* So far as vulnerable persons are concerned:

- Those who are intoxicated through alcohol or drugs are not permitted on the premises.
- “Stay in Control” posters and leaflets with the GamCare helpline number are located prominently in the premises, including the WC.
- All machines display responsible gambling messages with helpline contact details.
- Customers may set deposit and time limits on machines to assist them with managing their gambling behaviour.
- The premises are supervised by staff who are trained to notice behavioural indicators of vulnerability.
- As required by the Gambling Commission’s Licence Conditions and Codes of Practice, the applicant’s systems include processes for customer interaction and self-exclusion. Interactions are recorded electronically so that they can be overseen by independent compliance auditors.

22. *Protection of children from being harmed or exploited by gambling.* As regards this objective:

- The exterior contains no advertising or marketing which might be attractive to children.
- Gambling cannot be seen from the outside the premises.
- The exterior (and the interior) contains prominent messaging stating that Think 25 is applied.
- Those entering are greeted by staff members, so that their appearance is checked immediately.

- Staff are required to log all Think 25 events electronically, with premises data checked by the applicant's audit department to ensure that the system is being properly operated.
- Third party age verification testing is conducted.
- It is fair to report that the outward appearance, interior ambience, supervision, layout and product in casino premises are not attractive to children, and the applicant's systems have proved more than effective to ensure that underage gambling is not an issue in its premises.

D. THE LAW

23. As the Board will be aware, each piece of licensing legislation sets out a different approach to the question of grant. The approach relevant to gambling is in section 153 of the Gambling Act 2005:

In exercising their functions under this Part, a licensing authority shall aim to permit the use of premises for gambling in so far as the authority thinks it:

(a) in accordance with any relevant code of practice [issued by the Gambling Commission]

(b) in accordance with any relevant guidance issued by the Commission

(c) reasonably consistent with the licensing objectives (subject to (a) and (b))

(d) in accordance with the [authority's statement of licensing policy] (subject to (a) to (c)).

24. The gambling licensing objectives (section 1) are:

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

(b) ensuring that gambling is conducted in a fair and open way, and

(c) protecting children and other vulnerable persons from being harmed or exploited by gambling.

25. Where the criteria in section 153(a)-(d) are satisfied, there is a mandatory “aim to permit”. This is described by the Gambling Commission in the Guidance to Licensing Authorities as the authority’s “primary obligation” (para 7.56).

26. The test is different from that under the Licensing Act, which asks the authority to take the steps appropriate for the promotion of the licensing objectives. The Gambling Act mandates the authority to aim to permit applications which are (among other things) reasonably consistent with the licensing objectives.

27. Paterson’s Licensing Acts 2025 commentary on the provision states:

“... A person who ‘aims’ to achieve a result will usually take active steps to bring it about. The provision appears to place a duty upon the licensing authority to exercise their powers so far as is lawfully possible to achieve a position in which they can grant the premises licence and thus permit the premises to be used for gambling.”

28. Section 153 applies to variations in the same way as it applies to applications for new licences: section 187(3).

29. As the Licensing Board will know, a variation application does not trigger a general review of the licence: it is concerned only with the proposed variation: Taylor v Manchester City Council [2012] EWHC 3467 (Admin) at para [77]. The principle of the licence is already established. The Licensing Board is concerned only with the variation of the premises layout applied for.

30. It is not open to an authority to refuse a licence on the basis that it is inappropriate to licence an operation or a further operation, in an area. As the Guidance says:

5.34 Licensing authorities should be aware that other considerations such as moral or ethical objections to gambling are not a valid reason to reject applications for premises licences. In deciding to reject an application, a licensing authority should rely on reasons that demonstrate that the licensing objectives are not being, or are unlikely to be, met, and such objections do not

relate to the licensing objectives. An authority's decision cannot be based on dislike of gambling, or a general notion that it is undesirable to allow gambling premises in an area (with the exception of the casino resolution powers).

31. Rather, as the paragraph makes clear, there would need to be reasons which demonstrate that the licensing objectives would not be met. That means demonstrate by evidence.
32. In this case, the application seeks to update the plans attached to the premises licence to reflect the layout on site and to slightly increase the licensed area to permit gaming machines within a designated area. The Commission's Guidance states that conditions limiting use should not be applied unless necessary:

9.28 Licensing authorities should make decisions on conditions on a case-by-case basis, and in the context of the principles of s 153. They must aim to permit the use of premises for gambling and so should not attach conditions that limit their use except where it is necessary in accordance with the licensing objectives, the Commission's codes of practice and this Guidance, or their own statement of policy."

33. Finally, the following considerations are legally irrelevant to the determination of an application for a licence or variation:
- i. Nuisance (see Guidance para 5.5).
 - ii. A dislike of gambling (Guidance para 5.34).
 - iii. A general notion that it is undesirable to allow gambling premises in an area (Guidance para 5.34).
 - iv. Moral or ethical objections to gambling (Guidance para 5.34).
 - v. The demand for gambling premises (see s 153 Gambling Act 2005). As such, objections which state that there are enough gambling establishments in a locality may be relevant to planning, but they are irrelevant to licensing.
 - vi. Planning matters.

34. It is therefore necessary to consider:

- whether there is evidence which demonstrates that the grant of this variation would not be reasonably consistent with the licensing objectives;
- in the light of a) the applicant's history of successful operation of gambling premises, b) its regulatory record, c) with the various existing legal controls on its operation, whether it is necessary to refuse or only partially grant the application;
- whether any further conditions might be necessary in order to be able to grant the application, consistent with the aim to permit.

E. APPLICATION OF SECTION 153 PRINCIPLES

35. Section 153(a)-(d) sets out criteria which the authority should take into account. Each sub-paragraph is taken in turn.

(a) Code of Practice

36. The Gambling Commission publishes Codes of Practice under section 24 of the Gambling Act 2005.

37. The Codes cover all the gambling objectives. For example, there must be procedures for age verification, customer interaction and self-exclusion, and exterior advertising must not be aimed at children. There is no suggestion by anybody that Merkur does not comply with the Code, here or in any of its premises.

38. The Codes also require the submission of a local area risk assessment. A detailed risk assessment has been submitted

(b) Guidance

39. The Commission publishes Guidance for Licensing Authorities under section 25 of the Act. This covers a wide range of topics, including (for example), the layout and supervision of the premises and whether local risks are adequately controlled.

40. The Guidance states that the licensing authority does not need to investigate the suitability of the operator, or the fairness and openness of gambling, both of which are controlled by the operating licence: paras 5.10 and 5.11.

41. There is no evidence in this case that these premises or their management contravenes any the Commission's Guidance, such that refusal of the variation meets the test of necessity.

(c) Licensing objectives

42. Section 153 asks whether the application is reasonably consistent with the licensing objectives. Read together with the aim to permit, it precludes an argument that any gambling, or additional gambling, inherently risks harm and so should not be permitted.

(d) Statement of licensing principles

43. The main applicable sections are:

- Risk assessment -Paragraph 11
- The licensing objectives - Paragraph 5
- Duplication with other regulatory regimes – Paragraph 9
- Conditions - Paragraph 13

44. *The risk assessment.* Merkur has taken care to comply with this policy requirement, producing a detailed local area risk assessment supplied in support of the application, analysing local risks and referring to control measures.

45. *The licensing objectives.* As stated above, Merkur has appraised the policy criteria and considerations and set out how it seeks to comply with them.

46. *Duplication.* Duplication with other statutory regulatory regimes, such as Licensing or Planning will be avoided where possible by the Licensing Board.

47. *Conditions.* The Licensing Board may consider licence conditions in exceptional cases where risks are identified related to the Licensing Objectives under the Gambling Act 2005.

Conclusion on compliance with section 153

48. It is submitted that each part of section 153(a)-(d) is fully complied with, and that therefore:

49. The mandatory aim to permit applies. As such, as the Commission states, the primary obligation is to permit the application.

F. REPRESENTATIONS

50. No representations have been received by any Responsible Authorities or Interested Parties

G. CONCLUSIONS

51. The Licensing Board is invited to accept that each element of the section 153 test is met.

52. In the circumstances, the Licensing Board is invited to grant the application.

**RICHARD BRADLEY, PARTNER
POPPELSTON ALLEN SOLICIORS
September 2025**