

GAMBLING COMMISSION

Advice to Track Premises Licence Holders

June 2007

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1 Introduction

- 1.1** In April 2007, the Department for Culture, Media and Sport (DCMS) and the Scottish Executive laid the regulations in relation to Premises Licences: Mandatory and Default Conditions¹.
- 1.2** In order to assist track premises licence holders (as opposed to other premises such as casinos, bingo halls, adult gaming centres, family entertainment centres and betting shops), the Gambling Commission (the Commission) has undertaken to provide tracks with advice that is supplementary to the mandatory and default conditions.
- 1.3** Therefore, in March 2007 we published the consultation document '*Advice to track premises licence holders*'. The purpose of this consultation document was to offer advice on other aspects of track management that may impact upon the licensing objectives, which 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.
- 1.4** A list of the mandatory and default premises licence conditions that will affect track premises licence holders exclusively is provided in section 3 of this document. The full DCMS and Scottish Executive regulations contain some conditions that are designed specifically not to apply to tracks, although these are not covered in this advice.
- 1.5** The Commission is producing separate guidance to licensing authorities on what they need to do in order to licence tracks appropriately. Prospective track premises licence holders should consider the guidance to licensing authorities in tandem with this advice from the Commission.
- 1.6** The Commission has conducted a full and open consultation on this advice. A stakeholder meeting took place during the consultation period. A total of nine responses were received during the six-week consultation, and the consultation paper was downloaded 651 times from the Commission's website during the same period. We have given careful consideration to the consultation responses before finalising our policy position.

¹ For England and Wales – S.I 2007/1409 - The Gambling Act 2005 (Mandatory and Default Conditions) (England and Wales) Regulations 2007
For Scotland – S.S.I 2007/266 -The Gambling Act 2005 (Mandatory and Default Conditions) (Scotland) Regulations 2007

2 Background and scope

Definition of a track

- 2.1** Within the Gambling Act 2005 (the Act) a track is defined as a horse racecourse, dog track or other premises on any part of which a race or other sporting event takes place or is intended to take place².
- 2.2** If betting takes place at a track then a premises licence, awarded by the local licensing authority³, will be required⁴.
- 2.3** Betting facilities are offered on a wide variety of tracks – most notably the 59 principal horse racecourses approved by the Horserace Betting Levy Board (referred to in this consultation as ‘racecourses’) and greyhound tracks (both those approved by the National Greyhound Racing Club and independent tracks). The Act does not give a list of premises which are officially recognised as ‘tracks’ but there are a number of venues other than those mentioned above where sporting events do or could take place, and accordingly could accommodate the provision of betting facilities. Examples of tracks include:
- a point-to-point horserace meeting;
 - football, cricket and rugby grounds;
 - an athletics stadium;
 - a golf course;
 - venues hosting darts, bowls, or snooker tournaments;
 - a premises staging boxing matches;
 - a section of river hosting a fishing competition; and
 - a motor racing event.

While many of these venues are not commonly understood to be ‘tracks,’ they fall within the definition of ‘track’ as defined by the Act.

- 2.4** In theory, betting could take place at any venue where a sporting or competitive event occurs. The Act provides for tracks which do not offer betting facilities currently but may elect to do so in the future.
- 2.5** There is a distinct difference between track premises licences and most other premises licences. Generally, a track owner admits third-party operators to provide betting facilities at the track whereas other premises licence holders provide the betting facilities themselves. Consequently, they are subject to the conditions of the operating licence as well as the premises licence.
- 2.6** However, there are a limited number of track premises licence holders who will have an operating licence because they operate a betting pool. An example of these would be the 29 greyhound tracks which are approved by the National Greyhound Racing Club⁵. In addition to admitting independent fixed-odds betting operators, these tracks may run their own pool betting as permitted by sections 179 and 180 of the Act, and will be subject to licence conditions applicable to their status as both betting operators and track premises licence holders.

² Section 353 Gambling Act 2005.

³ In England and Wales the appropriate local authority, in Scotland, a licensing board constituted under section 1 of the Licensing (Scotland) Act 1976.

⁴ With the exception of occasional and temporary use notices under sections 39 and 214-234 of the Act; see sections 2.12 to 2.17 of this document for further details.

⁵ A small number of point-to-point track owners also offer pool betting. These tracks will be subject normally to occasional use notices, see sections 2.12 to 2.14 of this document for further details.

- 2.7** The track premises licence authorises anyone upon the premises with an operating licence to offer betting facilities, and the conduct of betting on track will be regulated primarily through these operating licences, since track betting operators will be subject to the provisions of their licence conditions while they are on track.
- 2.8** Most activities that the track premises licence holders will need to undertake to meet the licensing objectives are included in the mandatory and default conditions set by the Secretary of State. However, the Commission considers that there are other areas of activity that fall outside of the mandatory and default conditions: these are covered in section 4 of this advice.
- 2.9** The Commission will be a responsible authority⁶ in relation to premises licences and will be able to request a review of a premises licence if it suspects the breach of a licence condition. The Commission will liaise with licensing authorities in reviewing the standards of compliance displayed by track premises licence holders and it is possible that the licensing authorities may attach conditions to premises licences where local problems have been identified.

Different types of permission

- 2.10** There are three different types of permission which enable tracks to offer legitimate betting facilities. These are described in more detail in the '*Guidance to Licensing Authorities on tracks*' document that was published alongside this advice (available from the Commission's website).

Premises licences

- 2.11** Usually, for tracks that operate frequently, a premises licence will be required as described in part 8 of the Act. These licences would be appropriate for racecourses, greyhound tracks and most football stadia. However, for some tracks, a premises licence may not be required. Such tracks may offer betting facilities under an occasional or temporary use notice.

Occasional use notices

- 2.12** Section 39 of the Act enables a track occupier or administrator to issue an occasional use notice. An occasional use notice gives entitlement of up to eight⁷ occasional uses of a track for betting purposes in any calendar year, so this permission would be suitable for, say, point-to-point racecourses, motor racing venues and some cricket grounds.
- 2.13** We are taking guidance from DCMS on whether a 'day' refers to a calendar day or a period of 24 hours – for instance, noon until noon.
- 2.14** Tracks that operate under this notice are not required to comply with any of the mandatory and default conditions. However, only licensed betting operators may offer betting facilities at such tracks, otherwise an offence would be committed under section 33 of the Act.
- 2.15** Consequently, the Commission strongly advises track occupiers or administrators operating under an occasional use notice to satisfy themselves that only licensed betting operators are offering betting facilities at their tracks. One way of achieving this may be by following the advice in sections 3.10 to 3.12 of this advice. If evidence emerges that unlicensed betting operators have been allowed to offer betting facilities on tracks operating under an occasional use notice, the Commission will consider taking action against the illegal betting operators.

⁶ Section 157 of Gambling Act 2005.

⁷ The Secretary of State may by order amend this number.

Temporary use notices

- 2.16** A temporary use notice is similar in some ways to an occasional use notice. Sections 214 to 234 of the Act explain the relevant provisions. Temporary use notices may be used for up to 21 days in a calendar year and may be used at premises such as hotels, exhibition centres or entertainment venues.
- 2.17** Temporary use notices are given by a holder of an operating licence rather than the owner or manager of the venue.
- 2.18** Temporary use notices are subject to regulations by the Secretary of State prescribing the activities which may be covered by the notice (see section 215(2) of the Act) and are subject to objections from the Commission, police and HM Revenue and Customs if they think that the notice may affect the licensing objectives (see section 221 of the Act). The Commission considers that these regulations will be sufficient to uphold the licensing objectives.
- 2.19** DCMS is consulting currently on temporary use notices prior to finalising the regulations⁸. DCMS proposes that the notices should be used to provide otherwise unlicensed premises with the opportunity to host equal chance gaming tournaments. Should this be confirmed in the regulations, tracks will only be eligible to host out-of-hours non-raceday betting by virtue of an occasional use notice.
- 2.20** We will follow the progress of the DCMS consultation and revise our advice if necessary following the laying of regulations.

⁸ <http://www.culture.gov.uk/NR/rdonlyres/D3CD77AA-11D7-4676-92F8-12407C989311/0/TemporaryUseNoticescon.pdf> - reference correct at 1 June 2007

3 The Commission's advice on the regulations for track premises licence holders

- 3.1 For ease of reference, the conditions as they apply to track premises licence holders have been extracted from the regulations and reproduced below, schedule by schedule. The supplementary advice given by the Commission follows each schedule of the mandatory or default conditions.

Advice on regulations, schedule 6, part 1

SCHEDULE 6
Regulations 16 and 17
Conditions attaching to track premises licences

PART 1

Mandatory conditions attaching to all track premises licences

1. No customer shall be able to access the premises directly from any other premises in respect of which one of the following premises licences has effect:
 - (a) a casino premises licence;
 - (b) an adult gaming centre premises licence.
2. A notice stating that no person under the age of 18 is permitted to bet on the premises shall be displayed in a prominent place at every public entrance to the premises.
3. The terms on which a bet may be placed must be displayed in a prominent place within the premises to which customers wishing to use facilities for betting have unrestricted access.
4. The premises licence holder shall make arrangements to ensure that betting operators who are admitted to the premises for the purpose of accepting bets:
 - (a) will be operating under a valid operating licence; and
 - (b) are enabled to accept such bets in accordance with:
 - (i) the conditions imposed under sections 92 (general betting operating licence) or 93 (pool betting operating licence) of the 2005 Act, or
 - (ii) an authorisation under section 94 (horse-race pool betting operating licence) of that Act.
5. The premises licence holder shall make arrangements to ensure that reasonable steps are taken to remove from the premises any person who is found to be accepting bets on the premises otherwise than in accordance with the 2005 Act.
6. Any ATM made available for use on the premises shall be located in a place that requires any customer who wishes to use it to cease gambling in order to do so.

- 3.2 Subsection 1 is self-explanatory. It means that any adult gaming centre or casino located on a track (such as a 'racino,' the term used to refer to a casino located on a racecourse) must not be accessible by persons attempting entrance directly from within the track: it would be necessary for track patrons to leave the confines of the track and gain access from the street.

- 3.3** Subsection 2 is self-explanatory. In addition to placing underage gambling notices at each public entrance, we consider that it would be best practice for tracks to place a notice on underage gambling in the race card or programme and, at racecourses, adjacent to the prominently-displayed Tattersalls' Rules.
- 3.4** Subsection 3 places the onus on track premises licence holders to display in a prominent place the terms on which a bet may be placed i.e. the rules. We expect that betting operators will want to display the rules for their customers and will leave it to the tracks to decide how best this should be policed. However, the track is responsible for any non-compliance.
- 3.5** In relation to starting price facilities and the Tote, we consider that racecourses should oblige betting operators to display rules either in or adjacent to the main betting outlet only.
- 3.6** On racecourses, the generic rules – known as Tattersalls' Rules – that govern gambling in betting rings should be displayed in a prominent place by the racecourse. Any deviations from these rules must be displayed by the betting operators in accordance with their licence conditions.
- 3.7** We consider that track premises licence holders are best-placed to make arrangements to ensure that customers have 'unrestricted access' to the rules. We are aware that many tracks have different enclosures or stands where unhindered customer access to all areas is sometimes prohibited. Where appropriate arrangements to facilitate free access to the rules cannot be organised, we consider it would be best practice for the rules to be displayed in each distinct enclosure or area.
- 3.8** Where there is only a single central location for the displayed rules, and two or more different enclosures or stands, we consider that it would be best practice to refer to that location in the race card or programme.
- 3.9** We do not consider that it is necessary to introduce a code of practice relating to the display of rules on tracks.
- 3.10** Subsection 4 of the regulations provides that it is the responsibility of track premises licence holders to ensure that only Commission licensed betting operators and their properly contracted employees are allowed to provide betting facilities on their premises. This is a mandatory condition attached to the premises licence.
- 3.11** Track premises licence holders may introduce their own administrative arrangements for the positive identification of betting operators. Again, we do not need to be prescriptive on how this outcome is achieved as we expect track premises licence holders to set up appropriate procedures to meet their obligations. However, failure to do so may place track premises licence holders in breach of their licence conditions.
- 3.12** The Commission is considering what evidence needs to be in place in order for track premises licence holders to be satisfied that an operator's staff member (who is acting in the capacity of bookmaker or provider of betting facilities) is employed under contract. This advice will be updated once our approach is finalised.
- 3.13** On racecourses, the Commission does not consider that bookmakers' assistants, such as computer operators and floormen, need to be registered as workers in the future, as they are currently with the National Joint Pitch Council (NJPC). Neither would the Commission expect racecourses to require registration of other functional staff, such as Tote employees or workers at the racecourse betting shop. Similarly, the Commission does not consider that 'shop floor' staff at other tracks need to be identified, such as cashiers at football grounds. We would expect betting operators to exercise sufficient control over their businesses to ensure that only properly authorised people are allowed to conduct betting on their behalf. However, the Commission intends to monitor this situation in case evidence emerges that suggests that this is at odds with the licensing objectives.

- 3.14** Subsection 5 requires track premises licence holders to ensure that ATMs are situated away from gambling facilities and that any new gambling facilities take into account the location of pre-existing ATMs. Any ATM made available for use on the premises must be located in a place that requires any customer who wishes to use it to cease gambling at any booth, counter, stand, betting machine or any other betting facility.
- 3.15** Track premises licence holders are required by the mandatory condition in subsection 6 to take reasonable steps to remove from the track anybody found to be providing facilities for gambling without authorisation, i.e. illegal bookmakers. Failure to do so could result in action against the premises licence.
- 3.16** The Commission is not inclined to define 'reasonable steps' as that is a matter of construction by a court.
- 3.17** The Commission considers that it would be best practice for all instances of illegal betting to be recorded in writing by the track premises licence holder and reported to the Commission within 14 days.
- 3.18** The details included in the report should include the location of the offence, date, name and address of the illegal betting operator (if possible), a description of the circumstances and the action that the premises licence holder intends to take in order to prevent further similar instances of illegal gambling.

Advice on regulations, schedule 6, part 2

The regulations are reproduced below.

PART 2

Mandatory conditions attaching to track premises licences in respect of premises that are horse-race courses

1. (1) This paragraph shall apply to converted track premises licences in respect of premises that are horse-race courses.

(2) The licence holder shall ensure that in respect of any part of the track, which immediately before 1st September 2007 was made available for the purposes of complying with a condition imposed under section 13(2) of the 1963 Act (which provides for conditions to be imposed on a certificate under section 13 relating to the places which are to be provided for enabling betting to take place on the track), that part shall continue to be made available for the purposes of enabling betting operators and betting operators' assistants to use it for carrying on business in connection with providing facilities for betting.

(3) Sub-paragraph (2) is without prejudice to any application under section 187 of the 2005 Act (application to vary a premises licence) to change the location of the part of the track to which that sub-paragraph applies.

(4) Where such an application is granted, sub-paragraph (2) is to have effect as if it required the licence holder to ensure that the part of the track identified in the application as the new location for the area referred to in that sub-paragraph is made available for the purposes of enabling betting operators and betting operators' assistants to carry on business in connection with providing facilities for betting.

(5) References in this paragraph to an 'existing betting area' are to any part of the track which is required to be made available in accordance with the preceding provisions of this paragraph for the purposes of enabling betting operators and betting operators' assistants to carry on business in connection with providing facilities for betting.

(6) The charge for admission to an existing betting area for the purposes of carrying on business in connection with providing facilities for betting shall not exceed:

(a) where payable by a betting operator, five times the cost of the highest charge paid by members of the public who are authorised to enter that part of the track; and

(b) where payable by a betting operator's assistant, the cost of the highest charge paid by members of the public who are authorised to enter that part of the track.

(7) A betting operator or betting operator's assistant shall not be charged, for admission to an existing betting area, an amount which differs from that charged to any other betting operator or betting operator's assistant for admission to that part of the track.

(8) No charges may be made to betting operators and betting operators' assistants who are admitted to the existing betting areas of the track, other than:

(a) the charge for admission in accordance with sub-paragraphs (6) and (7), and

(b) charges levied to cover costs reasonably incurred in connection with enabling betting operators and betting operators' assistants to operate in the existing betting area.

(9) This paragraph shall not apply after 31 August 2012.

2. (1) This paragraph shall apply to all track premises licences in respect of premises that are horse-race courses.

(2) The licence holder shall provide a place on the premises where betting operators and betting operators' assistants, including small-scale operators, may carry on business in connection with providing facilities for betting and to which the public may resort for the purpose of betting.

(3) The reference in this paragraph to 'small-scale operators' shall have the same meaning as prescribed in The Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

(4) This paragraph shall not apply to converted track premises licences before 1 September 2012.

3. In this Part 'converted track premises licence' means a premises licence issued in respect of a track where:

(a) the holder of the licence held a certificate under section 13 of the 1963 Act, in respect of the same or substantially the same premises (referred to below as 'the 1963 Act permission');

(b) the 1963 Act permission had effect immediately before 1 September 2007; and

(c) the holder of the licence was granted the premises licence, under transitional provisions made under paragraph 9 of Schedule 18 to the 2005 Act, by reason of his holding the 1963 Act permission.

3.19 Subsections 1 and 2 provide that all existing betting areas (as defined in subsection 5) that are approved by the Horserace Betting Levy Board (HBLB) on 31 August 2007 (including those areas that are considered or named as 'temporary') will continue to allow access to betting operators for five years (as confirmed in subsection 9). These conditions do not apply to other tracks, including point-to-point racecourses. Racecourses should make clear in their applications to licensing authorities for premises licences precisely where their existing approved betting areas are located: this process is described in greater detail in the guidance to licensing authorities on tracks.

- 3.20** If track premises licence holders wish to vary the location of betting areas that are subject to the five times rule on 31 August 2007, then they may apply to the local licensing authority to vary the premises licence.
- 3.21** From 1 September 2007, racecourses will be permitted to establish new betting areas, which will not be subject to a mandatory condition replicating the 'five times rule'. The cost of establishing a pitch in these new areas will be left to regulation by the market.
- 3.22** Subsection 4 provides that any relocated betting area (that had previously been a HBLB approved betting area immediately prior to 1 September 2007) would be subject to the same obligations as if it were the original area.
- 3.23** Subsection 6 provides for the maximum charges that may be applied to betting operators and their assistants when working in existing betting areas. This appears to be self-explanatory, as does subsection 7 which provides that all betting operators and assistants within existing betting areas must be charged the same admission prices.
- 3.24** Subsection 8 provides that no additional charges may be applied to betting operators and their assistants over and above the admission charges and reasonable charges to reflect costs incurred in the administration of the betting ring. If deemed appropriate, these charges may be levied by a third-party administrative body appointed by the racecourses and/or the betting operators.
- 3.25** Subsection 2(2) provides that an area must be provided by racecourses for betting operators to conduct betting business after 31 August 2012.
- 3.26** Subsection 3 defines a converted track premises licence. 'Grandfather rights' give track operators with existing permissions to offer gambling under current legislation the right to be granted the equivalent type of permission in relation to their premises under the new legislation. For example, track operators under the existing legislation would be entitled to a betting premises licence under the new legislation, assuming that they had accepted the default licence conditions.

Advice on regulations, schedule 6, part 3

The regulations are reproduced below.

PART 3

Mandatory conditions attaching to track premises licences in respect of premises that are dog racing tracks

1. A totalisator on the premises shall only be operated:
 - (a) while the public are admitted to the premises for the purpose of attending dog races and no other sporting events are taking place on the premises; and
 - (b) for effecting with persons on the premises betting transactions on dog races taking place on the premises.
2. (1) At any time during which the totalisator is being lawfully used on the premises:
 - (a) no betting operator or betting operator's assistant shall be excluded from the premises by reason only of the fact that he proposes to accept or negotiate bets on the premises; and
 - (b) there shall be made available on the premises space for betting operators and betting operators' assistants where they can conveniently accept and negotiate bets in connection with dog races run on the premises on that day.

(2) This paragraph is without prejudice to section 180 (pool betting on dog races) of the 2005 Act.

3. For the purposes of this Part, 'totalisator' means the apparatus for betting known as the totalisator or pari mutuel, or any other machine or instrument of betting of a like nature, whether mechanically operated or not.

- 3.27** These regulations above give clear guidance to greyhound track premises licence holders on the operation of totalisators, which facilitate pool betting, and access rights for general betting operators when the totalisator is being used.
- 3.28** Section 180 of the Act provides that pool betting on greyhound racing may be offered only in accordance with arrangements made with the occupier of the greyhound venue where the racing is taking place. This means that the greyhound track operator controls whether or not pool betting on the racing that takes place at his track is available at other licensed betting premises. If he does wish this to happen, he can make appropriate arrangements with other betting operating licence holders. This is a transitional measure that will lapse on 31 December 2012 unless it is repealed before then.
- 3.29** Subsection 2 grants mandatory access to greyhound tracks for general betting operators when the totalisator is in use i.e. during race meetings held at that track. The greyhound track premises licence holder must provide an area where the general betting operators can offer betting facilities when events are being held at the track. However, this does not mean that the totalisator may not be operated if general betting operators elect not to attend or are prevented from attending by circumstances outside the control of the track premises licence holders or themselves.

Advice on regulations, schedule 6, part 4

The regulations are reproduced below.

PART 4

Default conditions attaching to all track premises licences

1. Subject to paragraph 2, no facilities for gambling shall be provided on the premises between the hours of 10pm on one day, and 7am on the next day.
2. The prohibition in paragraph 1 does not apply on days when a sporting event is taking place on the premises, in which case gambling transactions may take place at any time during that day.

- 3.30** The above is self-explanatory. The restrictions on the time during which gambling may take place on any track do not apply when the track is staging a sporting event. For instance, greyhound tracks often race beyond 10pm in the evening and it is permissible to offer betting facilities for races taking place after that time.
- 3.31** However, offering betting facilities after 10pm is not permissible if there is no sporting event being staged at the track. Such facilities may only be offered if the track premises licence holder applies to the local licensing authority for a variation to the default hours or an operator takes advantage of an occasional use notice.

4 Additional advice for track premises licence holders

Social responsibility

- 4.1 While betting operators have primary responsibility for creating and implementing social responsibility policies and procedures, the Commission considers that track premises licence holders should accept some responsibility for supporting and promoting socially responsible gambling on their premises.
- 4.2 Track premises licence holders who are also pool betting operators, such as greyhound tracks, will have their own social responsibility policies as a result of their operating licences. However, as the hosts of betting facilities additionally provided by third-party betting operators, they should put in place proportionate measures to deal with customers who have social responsibility queries relating to those operators.
- 4.3 The Commission does not expect track premises licence holders to have lengthy and detailed policies relating to social responsibility. The policies should be commensurate with the volume and intensity of gambling that occurs on their premises. We are aware, however, that many customers will direct queries and comments to the track owner rather than the betting operator. As a minimum, therefore, we consider it to be best practice for track premises licence holders to have a brief knowledge of the typical social responsibility policies and procedures of the betting operators who are offering betting facilities on their premises, so that track staff are able to deal with queries and advise customers accordingly (although not in a counselling capacity). At the very least, we would expect track staff to be aware that all betting operators have a social responsibility policy and that customer queries should be directed back to the operators.
- 4.4 Track premises licence holders may wish also to consider more proactive measures, such as notices in programmes that promote responsible gambling or an appropriate location where they could display posters, leaflets and information relating to problem gambling.

Bet receipt terminals

- 4.5 The supervision of bet receipt terminals is the responsibility of betting operators rather than premises licence holders. The premises licence holders, therefore, have no responsibility to ensure that bet receipt terminals are supervised appropriately. However, should the premises licence holder become aware that the betting operator has failed persistently to supervise the bet receipt terminals correctly, the track management should inform the Commission. The Commission may be contacted via email on info@gamblingcommission.gov.uk or by telephone on 0121 230 6666.

Administrative arrangements

- 4.6 There are varying degrees of administrative and quasi-regulatory arrangements that have been in place on tracks up to now. Racecourses, for instance, have been subject to the administrative arrangements and rules/guidelines of the HBLB and the NJPC. In contrast, betting facilities at most events other than horse and greyhound racing (for example, football grounds) are provided by individual operators, generally from the major high street betting chains, who hold direct contracts with the track owner without the administration and supervision of a third party.
- 4.7 Consequently, there has been a significant difference in the level of supervision between different tracks: for example, racecourses have been subject to the administrative arrangements of the NJPC, which provides betting ring managers (BRMs) to monitor compliance with the National Pitch Rules (NPRs) at each race meeting, while most other track owners (including greyhound tracks) have required the track bookmakers to oversee themselves.

- 4.8** The Act repeals the Betting, Gaming and Lotteries Act 1963 and removes the authority of the provisions attached to Certificates of Approval issued by the HBLB and, also, removes the authority of the NPRs and of the NJPC to administer those rules.
- 4.9** The remit of the Commission is limited to the licensing objectives and so it is not for us to be prescriptive about which of the various current administrative systems should be maintained. The Commission is keen, however, that the levels of compliance and generally high standards of administrative order on all tracks are not lost as a result of the implementation of the Act.
- 4.10** Under the Act, track premises licence holders may undertake the administration of betting facilities themselves or they can make arrangements with another body to take on this work. It is for them, individually or collectively, to make that decision. Whichever way, the track premises licence holders retain the responsibility to meet all premises licence conditions, including those imposed by the licensing authorities.
- 4.11** Track premises licence holders will have a responsibility to report regulatory matters concerning the premises and issues relating to betting to the Commission. The licensing authority and/or Commission's compliance officers will visit tracks for the purpose of checking compliance with the Act, regulations and licence conditions and codes of practice.
- 4.12** With specific regard to racecourses, it is unclear what administrative arrangements will exist from September 2007. A working group has been set up to deal with these issues and the Commission will be guided by the recommendations of that body.
- 4.13** All tracks should seek independent legal advice if they are concerned that any arrangements which are in place to limit the number of betting operators at any given race meeting may be in breach of competition law. Similarly, any terms imposed on betting operators by track premises licence holders for access to betting areas must comply with the law, including competition law.

Gaming machines

- 4.14** A betting premises licence in respect of a track does not of itself give any entitlement to use gaming machines. That is because this type of premises licence can be held without any corresponding operating licence. However, by virtue of section 172(9) of the Act, any track owner who holds both a betting premises licence and a pool betting operating licence (which means he will have judged by the Commission as suitable to provide gambling facilities), may site up to 4 gaming machines (in categories B2 to D) on the track.
- 4.15** Such machines will be subject to the licence conditions and codes of practice imposed upon the operator. These conditions and codes have been made available on the Commission's website. Further information relating to gaming machines can be found in the '*Guidance to Licensing Authorities on tracks*' document.

Combined licences

- 4.16** The general position for premises licensing is that premises may only be subject to one premises licence at a time⁹. The effect of this requirement is to limit the principal activity on the premises to the provision of facilities for one type of gambling activity.

⁹ Section 152(1) of Gambling Act 2005.

- 4.17** However, tracks are exempted from this approach. Subsections 2 and 3 of section 152 of the Act provide that a track may be subject to more than one premises licence, but that no more than one premises licence can operate in relation to any area of the track. Subsection 4 provides that 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 gambling activity in that area, an application must be made to vary the original licence under section 187. The new licence for the track can only be granted at the same time as, or after, the original licence has been varied.
- 4.18** An example of where this may be relevant to tracks is the granting of separate premises licences for track betting shops. The Act gives discretion for such shops to be a part of the umbrella track premises licence or to be subject to a separate premises licence, which will contain its own licence conditions. The Commission expects that track premises licence holders will wish to liaise with betting operators to discuss what will be most appropriate for their particular circumstances.

Starting Prices

- 4.19** The Commission is aware that the betting market on racecourses and greyhound tracks is the source of the Starting Price (SP), via which approximately 80% of relevant off-course bets are settled. For this reason, these track betting markets have significance beyond the confines of the track.
- 4.20** SP's are returned usually by employees of the Press Association, who act according to pre-defined guidelines designed to protect the strength and integrity of the SP. At racecourses, specific measures to prevent the potential distortion of the SP are currently in place through NPR 18.1.
- 4.21** The procedures relating to the return of the racecourse SP are agreed by the Starting Price Regulatory Commission (SPRC). The agreement to transfer data (i.e. prices) to the off-course industry from the on-course industry is subject to a commercial agreement between Satellite Information Services and the Federation of Racecourse Bookmakers, which is the umbrella organisation for on-course bookmakers. The Commission is aware that the SPRC has completed a recent review of the SP returning procedures, some of which require the NJPC to ensure compliance by on-course bookmakers with some elements of the NPRs mentioned above.
- 4.22** The Commission considers that it would be inappropriate for it to become involved in any issues relating to the SP, or to place requirements on track premises licence holders that served to protect the strength and integrity of the SP. If evidence did emerge that the integrity of the SP was being compromised, the Commission may need to become involved given its duty to promote the licensing objective that gambling should be conducted in a fair and open way. It is more likely, however, that such action would be directed towards betting operators rather than track premises licence holders.

The Gambling Commission regulates gambling in the public interest.

It does so by keeping crime out of gambling, by ensuring that gambling is conducted fairly and openly, and by protecting children and vulnerable people from being harmed or exploited by gambling.

The Commission also provides independent advice to government on gambling in Britain.

For further information or to register your interest in the Commission please visit our website at:

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