

Code of Practice for Equal Chance Gaming in Clubs and Premises with an Alcohol Licence

Responses July 2007

1 Introduction

- 1.1** In March 2007, the Gambling Commission (the Commission) consulted on a code of practice for equal chance gaming in clubs and premises with an alcohol licence asking for views and comments on the draft code. The consultation ended on 22 June 2007. This responses document explains the key issues considered during that consultation and the changes made to the code of practice as a result.
- 1.2** We received nine responses to the consultation, and we would like to thank those who took part. A list of respondents can be seen at Annex A of this document, and copies of the responses that were not marked as confidential will be available shortly on the Commission's website, www.gamblingcommission.gov.uk

Code of practice

- 1.3** The code of practice for equal chance gaming in clubs and premises with an alcohol licence will be published simultaneously with this responses document, one month before it will come into force on 1 September 2007.
- 1.4** The code of practice and this responses document will be of interest in particular to local licensing authorities (who will be responsible for issuing club gaming permits as well as alcohol licences), alcohol licensed premises operators, clubs who wish to promote or otherwise permit gaming on their premises, and to other bodies with an interest in gambling.
- 1.5** The code relates to the provision of facilities for equal chance gaming in pubs and clubs. This gaming is known as 'exempt gaming' in clubs and alcohol licensed premises or is carried out under the authority of club gaming permits.

Concurrent consultation on the regulations

- 1.6** The consultation on the code follows the consultation by DCMS on the regulations on equal chance gaming in clubs and alcohol-licensed premises which set out the limits on stakes, prizes and participation fees for equal chance gaming in clubs and alcohol-licensed premises. These limits, set in the regulations, can be found in a table at Annex A to the code of practice. A number of issues raised in that consultation have been addressed in this code of practice.

2 The provisions of the code of practice

Access to gambling by children and young people

Consultation proposals

- 2.1 In this consultation, the Commission proposed a code provision that organisers of equal chance gaming in clubs and alcohol-licensed premises should put procedures in place for checking the age of any customer who appears to be underage before they participate in gaming. The provision also states the acceptable forms of identification.

Consultation questions

- Q1. What comment do you have on the code provisions setting out the best practice steps that should be taken to prevent underage gambling in alcohol-licensed premises and clubs?

Respondents' views

- 2.2 All respondents supported the proposal to have procedures to age check potentially underage participants. Two respondents mentioned acceptable identification – the Code states what identification should be acceptable (cards with the PASS logo, driving licence with photocard or passport). One respondent suggested the removal of the reference to the Connexions card, as it is being phased out.
- 2.3 Three respondents suggested restricting gaming to an area that is for over 18s only. While one respondent considered restricting gaming to later in the evening when there was considered to be less likelihood of young people entering pubs and clubs and trying to participate in gaming. Another respondent brought up the idea of a refusals book to log all incidents of an underage customer being refused participation in gaming.

The Commission's position

- 2.4 The Commission has retained the provision to check the age of potentially underage participants along with the list of acceptable identification. We have accepted the drafting change, suggested by one respondent, to remove the reference to the Connexions card.
- 2.5 The Commission has added a provision that procedures should be put into effect which include "*holding the gaming in premises or parts of premises which are restricted to adults.*" This follows the comments in our consultation and also in the DCMS consultation on the regulations.

Protection of vulnerable people

Consultation proposals

- 2.6 The consultation did not propose that organisers of gaming in clubs and alcohol-licensed premises should be required to offer self-exclusion or any other special protection to their customers. This was due to the relatively low level of stakes and prizes set out by DCMS in the proposed regulations. However, the Commission does intend to keep this under review.

Consultation questions

- Q 2. What comment do you have on our proposals in relation to the protection of vulnerable people?

Respondents' views

- 2.7 Although several respondents supported this proposal, a number of respondents felt that the Commission should review this as, although the stakes are low, there is still a potential risk for vulnerable people. Three respondents felt that self exclusion should be offered. Several respondents felt that information and sources of help should be offered as vulnerable people are still at risk even if the stakes are lower. One respondent suggested a laminated card containing information and sources of help should be kept with the gaming equipment.

The Commission's position

- 2.8 The Commission will not at this stage propose a requirement to offer self exclusion or any other protection. However we will keep this under review and will act if it is felt that additional protection is necessary within this context.

Ensuring that gaming is fair and open

Consultation proposals

- 2.9 In the consultation, the Commission proposed that stakes in all organised poker tournaments or games should be made in chips that are issued by the organiser of the game before the game begins. However, in informal games the Commission proposed that the stakes should be cash. At all times the 'pot' (the amount of money staked) should be on the table where the game is played and visible to both players and organisers.

Consultation questions

- Q 3. Should the code of practice restrict the payment of stakes to cash in informal gaming or should the gaming supervisor be able to require players to use chips for all equal chance gaming (except bingo)?

Respondents' views

- 2.10 All respondents supported the proposal to have all stakes for poker in chips rather than cash. Three respondents added that all gaming except bingo should use chips rather than cash for stakes. A couple of respondents pointed out that use of chips allowed for more control over the stakes. One respondent observed that the use of chips would mean there was no need for the pot to be kept in sight, and if cash was to be used then the pot should be kept safely behind the bar to avoid the risk of crime.

The Commission's position

2.11 The Commission has decided to retain the proposal that all poker stakes should be in chips rather than cash, following the responses in this consultation and the DCMS consultation on the regulations. We have decided to redraft the provision to state: *"To ensure that the stake and prize limits are not breached, it is strongly advised that cash games should not be permitted. Where cash games are allowed, the pot should be kept in sight so that it can be viewed by the gaming supervisor at all times."* We have also added the provision that: *"games organised by, or on behalf of, the management of the premises should not be cash games but tournament poker."*

Consultation proposals

2.12 To ensure that stakes and prize limits are enforced, the Commission expects all gaming to be supervised so that no breach of limits occurs and that illegal side betting is prevented. The Commission proposes that the operator will have in place appropriate record keeping to demonstrate that the gaming is within statutory provisions and that these records should be made available to licensing officers, Commission compliance officers or the police if requested. DCMS does not see a need to prescribe stake and prize limits for games other than poker at this stage, however the Commission will keep this matter under review and will recommend that action be taken if high stakes gaming becomes prevalent in clubs.

Consultation questions

Q 4. What comment do you have on our approach to ensuring that stakes and prize limits are enforced?

Respondents' views

2.13 The majority of respondents supported this proposal. One respondent suggested re-wording the draft code provision to include that where a breach of the limit on stakes occurs that the game should be stopped and all stakes returned. Another respondent emphasised the importance of frequent inspections and severe sanctions being appropriate in order to enforce these limits. One respondent questioned whether there was a requirement for the gaming supervisor to be present at all gaming. Another respondent highlighted the fact that a number of games from different countries and cultures may be played and these should be considered within a broad definition of equal chance gaming and the relevant stakes and limits.

2.14 Two respondents highlighted concerns with this proposal: one respondent stated that further record-keeping would be an unwelcome addition to the regulatory responsibilities of clubs. The other respondent was concerned that these responsibilities were onerous on the licensee or permit-holder and could also lead to confrontation and is likely to become difficult to work.

The Commission's position

2.15 The Commission has moved the relevant provision to the specific poker section of the code and redrafted it, using the suggestion of one respondent, to state: *"The gaming supervisor should take all reasonable steps to ensure that individual stakes limits are not exceeded through side bets, additional raises, re-buys or other ways of increasing the pot. Where this is discovered to be the case, the game should be stopped immediately and stakes returned to the individual players."*

- 2.16** We have also added a further provision specifically for poker: “*The gaming supervisor is to keep a record of:*
- *the number of games played,*
 - *the number of players, and*
 - *the amount staked*
- to ensure that the individual, daily and weekly stake and prize limits are not exceeded.”

Consultation proposals

- 2.17** In the consultation, the Commission proposed that clubs should keep proper records of membership and membership fees paid, as well as a separate record of daily participation fees.

Consultation questions

- Q 5. What comments do you have on the proposals for keeping membership records?

Respondents’ views

- 2.18** All respondents supported this proposal to keep membership records. One respondent asked how long these records should be kept.

The Commission’s position

- 2.19** We have retained the proposal that clubs should keep appropriate membership records with a record of membership fees and a separate record of daily participation fees.
- 2.20** We have also added to the provision for clubs that: “*The club should demonstrate it has a bona fide club membership scheme.*”

Consultation proposals

- 2.21** The Commission proposed that participants in organised gaming should be aware of and be able to refer to the rules of the game before and during the game. This is in the interest of fair and open gambling. Therefore organisers of poker tournaments or bingo games should make the specific rules of the tournament available. However for informal gaming, for example between friends, it will not be necessary to have the specific rules available although it is expected that each player will understand the rules before the game begins.

Consultation questions

- Q 6. Do you have any comments on the display of rules?

Respondents’ views

- 2.22** All respondents supported the proposal to have the rules displayed or otherwise available to players. Several respondents were unsure how knowledge of the rules for informal games would be policed. One respondent suggested that the rules should be displayed or available for informal gambling as well. Another respondent suggested that the rules should be printed on a laminated card and be kept with the equipment for each game.

The Commission's position

- 2.23** The Commission has retained and enhanced the proposal to make the rules available by providing the example of printing the rules and providing them to all players on a laminated card, using the suggestion of one respondent.

Consultation proposals

- 2.24** In this consultation, it was proposed that all equipment necessary for the gaming should be provided by the premises. The aim of this proposal is to help prevent cheating. This would include the provision of cards, dice, chips, bingo cards, dominoes etc. Players participating in organised tournaments should not be permitted to use their own equipment which could influence the outcome of the game.

Consultation questions

- Q 7. Do you have any comments on the proposal that the organiser of the gaming should provide all the equipment?

Respondents' views

- 2.25** All respondents supported the proposal.

The Commission's position

- 2.26** We have retained this proposal.

Preventing gambling being a source of crime and disorder

Consultation proposals

- 2.27** In this section, the consultation states that organisers are not responsible for the conduct of any player and suggests scenarios where an organiser should deny participation in gaming. The consultation goes on to ask whether there are other problems that gaming could create which may result in crime and disorder.

Consultation questions

- Q 8. Do you believe that gaming could present licensees with additional problems which may result in crime and disorder which need to be dealt with by the code of practice?

Respondents' views

- 2.28** Two respondents mentioned the pot, when stakes are in cash rather than chips, and their concern at the risk of theft. One respondent brought up the risk of disorder if an informal game is not played to recognised rules leading to disagreement. A further respondent brought up the potential for disorder from disagreements between players or when an underage person is refused. Another respondent was concerned at the risk of exploitation of vulnerable people.

The Commission's position

2.29 The Commission has noted the responses given in this consultation. We will be keeping these issues under review as part of our work to ensure the protection of the three licensing objectives, particularly the first of preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.

Other issues

Consultation proposals

2.30 This section of the consultation asked for any further issues which the code of practice should address or for any further comments or suggestions.

Consultation questions

Q 9. Do you believe there are any other issues which the Commission's codes of practice for gaming in clubs and alcohol licensed premises should cover which are not already addressed by other means?

Respondents' views

2.31 One respondent was concerned that these forms of gaming were more lightly regulated and that this was not sufficiently robust. Another respondent recommended that the code should cover staff reaction to problem gamblers and the source of help (particularly in relation to the proximity of alcohol consumption with gaming in this context).

The Commission's position

2.32 We have noted the responses in this consultation and also the issues raised in the DCMS consultation on the regulations.

2.33 To ensure that gaming does not become the principal purpose of a premises, the code now states that "*gaming in pubs and clubs should be ancillary to the main purpose of the premises*".

2.34 The Commission is aware that in the responses to the DCMS consultation it was requested that there should be guidance on what constitutes 'a game'. To this end, we have added a provision specifically for poker that "*the maximum stakes and prizes set out in the regulations are for a game and not a hand of poker. In the context of the code a game is what is generally considered to be an established and conventional game.*"

2.35 We have added a specific provision for bingo imposing a limit on stakes or prizes of £2000 in a seven day period. If any club or alcohol-licensed premises offers bingo of more than £2000 in a seven day period they will need to apply to the Commission for a bingo operating licence.

2.36 At the end of the code, we have added an annex containing a table setting out the limits on stakes, prizes and participation fees for clubs and pubs. It is hoped this will clarify the entitlements for gaming in clubs and pubs.

Annex A List of respondents

List of Respondents	Category
1. British Beer and Pub Association	Trade Association
2. Committee of Registered Clubs Association	Trade Association
3. Glasgow Licensing Authority	Licensing Authority
4. London Borough of Sutton	Licensing Authority
5. The Methodist Church and Salvation Army (joint response)	Faith Group
6. North Lanarkshire Council	Licensing Authority
7. Quaker Action on Alcohol and Drugs	Faith Group
8. Responsible Gaming Solutions Ltd	Company
9. Wolverhampton City Council	Licensing Authority

Gambling Commission July 2007

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:

www.gamblingcommission.gov.uk

Gambling Commission
Victoria Square House
Victoria Square
Birmingham B2 4BP

T 0121 230 6500

F 0121 230 6720

E info@gamblingcommission.gov.uk