

GAMBLING COMMISSION

Corporate Plan

April 2011 version 1.2

1 Introduction and background

- 1.1 The Commission's second corporate plan was originally produced to cover the period 1 October 2007 to 31 March 2011. Our statement of principles, our values and our strategic objectives remain unchanged and therefore the plan has been extended. In addition, we publish on an annual basis the detail of our current work programmes in our business plan¹. The business plan underpins the corporate plan by setting out the work we plan to do to deliver against the strategic objectives established in the corporate plan.
- 1.2 The Commission has strategic objectives that reflect the shift from the set-up of the Commission under the Gambling Act 2005 (the Act) to its operational phase from 1 September 2007 when most of the Act came into force
- 1.3 On 1 September, the Commission became the regulator for the majority of commercial gambling in Great Britain. Casinos, bingo, lotteries, and machine suppliers were already regulated under previous legislation by the Commission's predecessor, the Gaming Board for Great Britain, and, since October 2005, by the Commission. From 1 September 2007, the Commission also took over from local magistrates as the regulator for adult gaming centres; licensed family entertainment centres; remote operators; and the betting industry. The Act makes clear that both the regulator and the industry (those sectors previously regulated by the Gaming Board and those that are new to the Commission) are subject to a new regulatory regime and must have regard to the statutory licensing objectives, which are set out below.

The Commission's licensing objectives and other functions

The licensing objectives

- 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, and
- protecting children and other vulnerable persons from being harmed or exploited by gambling.

Other functions

When exercising its functions the Commission shall aim to pursue the licensing objectives and permit gambling, in so far as the Commission thinks it reasonably consistent with pursuit of the licensing objectives.

The Commission is also required to give advice to Ministers on the incidence, effects and regulation of gambling as well as the manner in which gambling is carried on.

- 1.4 To be lawful, the provision of facilities for gambling (as defined in section 5 of the Act) must either be authorised by an operating licence or covered by a specific exception. Most businesses holding an operating licence, unless very small, need to have personal licence holders who are authorised to perform specific functions. Where premises are used for gambling, the use of the premises must be authorised by an appropriate premises licence issued by the relevant local authority (see para 1.6) or other permission obtained under the Act; or be covered by an exception provided in the Act.
- 1.5 The Commission is responsible for issuing, and ensuring compliance with, operating and personal licences. Licence conditions and codes of practice² have been developed by the Commission following extensive consultation with stakeholders. These, along with the

¹ [Business Plan 2011 - 2012](#)

² Licence Conditions and Codes of Practice (LCCP) June 2007

conditions on the face of the Act and those set out in regulations laid by the Secretary of State, set out the requirements on licence holders.

- 1.6** Licensing authorities (local councils in England and Wales and licensing boards in Scotland) will issue and ensure compliance with premises licences.
- 1.7** Once the Commission has issued operators with their licences, the Commission will take a constructive approach to operators' (and their managers') compliance with licence conditions and will seek to establish a relationship of mutual trust. However, the Commission is mindful that licensees are subject to commercial pressures and that compliance represents a cost. The Commission will therefore look for evidence and assurance from operators that sufficient priority is being given to ensuring compliance with licence conditions and securing the licensing objectives.
- 1.8** The Commission received applications for operating and personal licences from January 2007 onwards. It was estimated that there were 3,500 businesses that required an operating licence. (Some operators did not have to be re-licensed immediately, namely society lotteries and gaming machine suppliers.) Before applications opened, the Commission estimated that there would be approximately 2,900 applications to be dealt with during 2007 and of those, 2,400 would receive continuation rights if they applied before 27 April. By 27 April 2007, the Commission had received 2,279 applications and by 30 September 2007 a further 468 applications for new operating licences had been received. The Commission started issuing licences in July 2007 and at 31 March 2011 the total number of operating licences recorded was 3,926.
- 1.9** This plan follows a period of development of the new regulatory regime following the Act receiving royal assent on 7 April 2005 and the establishment of the Commission from 1 October 2005. During that development period the Commission consulted extensively³ on how it would regulate the industry, including the Commission's:
- principles of operation, now published in its Statement of Principles (see table below);
 - approach to the assessment of applicants for operating and personal licences;
 - expectations of those who hold operating and personal licences;
 - arrangements for working with licensing authorities which administer premises licences;
 - approach to monitoring compliance with the regulatory regime;
 - approach to enforcement action against those who are not complying with the regime (both those who are licensed and those who are not).

The Commission's Statement of Principles

The Gambling Commission will:

- regulate gambling in the public interest and will do so vigorously;
- regulate in a transparent, accountable, proportionate, consistent and targeted manner;
- take a risk based approach to regulation;
- make assessments of risk that are led by the evidence, relevant information and best regulatory practice in the light of international experience;
- take a cautious approach where there is no evidence;
- consult with stakeholders
- use its resources effectively.

- 1.10** The Commission is committed to regulating in a manner that is consistent with the Hampton⁴ principles and the Macrory⁵ characteristics of better regulation. The Commission

³ www.gamblingcommission.gov.uk for details on the consultation process

⁴ Implementing Hampton: from enforcement to compliance, BRE, updated November 2006

will therefore seek to work in a transparent, accountable, proportionate, consistent and targeted way. Its approach to regulation is risk-based, with a focus on required outcomes and avoidance of fine prescriptive detail.

- 1.11** The Commission has consulted with stakeholders on its planned approach to its responsibilities and has, where necessary, modified its proposals in the light of reasoned arguments, always by reference to the licensing objectives. The Commission is open to reasoned argument but not to lobbying. The Commission keeps its approach under review and expects that operators and others will, from time to time, ask it to modify its approach to regulation. In particular, operators may seek to expand the scope of their permitted activities. In all such situations, the Commission's approach will be consistent with the licensing objectives.
- 1.12** In exercising its functions under the Act and pursuing the licensing objectives, the Commission will be guided by the Statement of Principles (see table). Its approach to regulation will be proportionate but as tough as necessary to secure the statutory licensing objectives under 1.3.
- 1.13** In 2006 the Commission moved from London to Birmingham and commenced the process of building on the workforce transferring in from the former Gaming Board and recruiting the additional people required to fulfil the Commission's new remit. The Commission is now well established in Birmingham and has a national workforce of around 200 from a wide variety of backgrounds, including the gambling industry itself, other regulators and law enforcement agencies.
- 1.14** The quality of this workforce and the range of skills and knowledge they possess are essential to the success of the organisation. The Commission has established a set of values for its staff which support the strategic objectives and the statement of principles (see table).

The Commission's values

- **Fair** – we will be consistent, proportionate, evidence-based and free from bias, prejudice or discrimination in all that we do.
- **Accountable** – we will be open about the way in which we work and reach decisions in the public interest, whilst safeguarding the personal and confidential data that we hold.
- **Professional** – we will ensure that we have the right skills and knowledgebase and follow international best regulatory practice.
- **Constructive** – we will work positively and courteously with our internal and external stakeholders to ensure that their needs and views are taken fully into account in all we do.

- 1.15** This plan incorporates the outcomes of the many formal and informal consultations that the Commission conducted in 2006 and 2007, including meetings and workshops with the industry and other stakeholders. Those consultations were about the approach to regulation under the Act and are reflected in this plan.

⁵ Macropy Review of Regulatory Penalties, Better Regulation Executive, November 2006

2 Strategic objectives

- 2.1 The Commission updated its strategic objectives to reflect the full implementation of the Act from 1 September 2007 and these are set out below. They are supported by detailed business objectives relating to the delivery of the Commission's functions, which are set out in chapter 3.

The Commission's strategic objectives

The Gambling Commission will deliver its responsibilities by:

- **Regulating gambling in the public interest:** delivering a proportionate regulatory regime which delivers best practice licensing and enforcement and ensures compliance by licensees.
- **Providing authoritative advice on gambling and its regulation:** building the Commission's knowledge base through knowledge management, intelligence and research.
- **Engaging with stakeholders:** ensuring that the Commission is accountable, properly balanced and informed in its work.
- **Developing its employees and organisation:** delivering professional, responsive, accountable and fair regulation.

3 Business objectives

3.1 Our key business objectives are set out below, under each strategic objective. Detailed activities are set out in our business plan.

Strategic objective 1: Regulating gambling in the public interest **Delivering a proportionate regulatory regime which delivers best practice licensing and enforcement and ensures compliance by licensees**

Key function	Our business objectives are to:
Licensing	<ul style="list-style-type: none"> • Set and maintain the standards required of operators and licensed individuals for entry into the gambling industry • Have effective operation of licensing and re-licensing processes for gambling operators and licensed individuals
Compliance	<ul style="list-style-type: none"> • Develop a comprehensive compliance programme based on an intelligence led assessment of the risks posed by licensed operators and individuals to the regulatory framework
Enforcement	<ul style="list-style-type: none"> • Establish effective joint working with local authorities and other regulatory/law enforcement agencies to facilitate enforcement activity • Ensure that offences under the Act and regulatory breaches are investigated in accordance with the Commission’s Enforcement Policy and that proportionate action is taken
Policy	<ul style="list-style-type: none"> • Ensure the policy and regulatory framework is in place and reviewed and developed
Legal Services	<ul style="list-style-type: none"> • Ensure that the Commission carries out its statutory functions effectively and acts in accordance with its legal powers and duties
Information and Communication Technology	<ul style="list-style-type: none"> • Enable and support delivery of the Commission’s work through eGovernment initiatives and targets and eAccessibility of its services

Strategic objective 2: Providing authoritative advice on gambling and its regulation

Building the Commission’s knowledge base through knowledge management, intelligence and research

Key function	Our business objectives are to:
Licensing	<ul style="list-style-type: none"> • Deliver an information service to and about the licensed industry
Compliance	<ul style="list-style-type: none"> • Advise and assist licensing authorities and the industry in adopting and developing compliance policies
Intelligence	<ul style="list-style-type: none"> • Manage the Commission’s knowledge and information; gathering, collating, analysing and disseminating information in support of all the Commission’s functions • Provide an effective intelligence function
Policy	<ul style="list-style-type: none"> • Develop and maintain knowledge of the industry and international best practice, including social responsibility policies and practice and problem gambling • Provide advice to Ministers and others on the incidence, effects and regulation of gambling, as well as the manner in which gambling is carried on
Legal Services	<ul style="list-style-type: none"> • Manage the provision of legal advice and guidance to support the Commission

Strategic objective 3: Engaging with stakeholders
Ensuring that the Commission is accountable, properly balanced and informed in its work

Key function	Our business objectives are to:
Licensing	<ul style="list-style-type: none"> Review the impact of licensing on the industry, with special reference to small and medium sized operators
Compliance	<ul style="list-style-type: none"> Develop a relationship management approach to compliance for large and medium sized gambling operators
Intelligence	<ul style="list-style-type: none"> Establish effective relationships with licensing authorities, key law enforcement stakeholders and other regulatory bodies and assist those bodies to operate effectively with the industry Manage the Commission's compliance with the Freedom of Information Act 2000 and Data Protection Act 1998
Policy	<ul style="list-style-type: none"> Maintain effective relationships with stakeholders, in particular, the sponsoring department, industry and trade associations, trades unions, community and faith groups, organisations promoting responsible gambling, those supporting gamblers with a problem and relevant public sector bodies
Corporate Affairs	<ul style="list-style-type: none"> Develop and implement an effective communications strategy for both external and internal stakeholders

Strategic objective 4: Developing its employees and organisation
Delivering professional, responsive, accountable and fair regulation

Key function	Our business objectives are to:
Business strategy and information management	<ul style="list-style-type: none"> • Provide support for the Board to ensure effective leadership • Provide programme and quality assurance management • Ensure sustainable, effective environmental policies • Develop and deliver an effective business continuity plan
People and organisational development	<ul style="list-style-type: none"> • Ensure the Commission’s organisational design remains fit for purpose and supports the Commission in achieving its objectives • Drive the development of an organisational culture that ensures that the principles of diversity and the Commission’s values are embedded • Develop effective HR activities that enable the Commission to maximise its performance • Develop and implement leadership and employee development strategies to ensure a skilled and professional workforce • Maintain and refine effective pay and reward mechanisms that are robust, fair and equitable for all employees • Provide sound professional support to the Commission and employees
Finance	<ul style="list-style-type: none"> • Deliver effective financial control systems, high quality management information and decision support services • Embed risk management processes within all aspects of Commission business • Maintain and refine an effort-based fee regime • Ensure cost effective, sustainable procurement policies
Information and Communication Technology	<ul style="list-style-type: none"> • Develop and deliver ICT strategies in accordance with the Commission’s evolving requirements • Ensure provision of the Commission’s IT services

