

## Revisions to regulatory returns from October 2011

### Background

Licensed operators in the gambling industry provide a range of information to the Commission, such as the number of self-exclusions and key business data like profit and number of employees. Supplying the information – which is a condition of an operating licence – is mostly done via the regulatory returns process online.

We use the data to help focus our activity and provide advice to government on issues such as stakes and prizes. We also publish the collated data in the industry statistics, which we hope is becoming increasingly useful to those who provide the information in the first place.

With nearly four years' experience receiving and analysing information provided by operators, we reviewed our approach and introduced some improvements to the regulatory returns process, with effect from 3 October 2011. These improvements follow detailed feedback from operators following a formal consultation as well as stakeholder meetings and contact such as the open events for smaller operators which we held last year.

### Online or paper submissions?

We encourage operators to use the Commission's website to submit regulatory returns, and with many businesses already submitting their returns online the majority of respondents to our consultation supported the move away from paper submissions. However, for the time being we have retained the option to submit the returns on paper – but anyone requesting the paper forms since 1 September will receive the new versions.

### Submission dates

The current system of flexible submission dates is being retained. We think the system should continue to be driven by the operator's own business cycle and not the other way round and a move to fixed submission dates could pose difficulties for some operators.

### What has changed?

For the changes specific to your sector, please see the sector specific information below.

Here are the changes that apply to all operators:

- Returns for all operators (except lotteries) require the gross gambling yield (GGY) – this is the amount retained by operators after the payment of winnings, but before the deduction of the costs of the operation. This will apply across all sectors apart from lotteries, so collecting GGY information will enable us to make comparisons across the whole industry.
- We have removed the requirement to provide information on the number of full time equivalent (FTE) staff on workforce information, and instead only the total number of staff employed per activity, regardless of the number of hours worked, is needed.
- We have changed the way information about access to premises by those under age is asked for and reported. We want operators to record the number of occasions when, after entering their premises, a person was unable to verify their age when challenged.
- The requirements for recording gambling by those who are under 18 (under 16 for lotteries) have also changed. We ask for the number of people who, having gambled, were unable to verify their age when challenged.
- The section on research, education and treatment (RET) of problem gambling is now easier to complete. Where an operator provides multiple activities, RET contributions must be made for each activity and the appropriate return for the area of business being reported should reflect this.
- We are now asking for the number of active, inactive, new or disposed of premises. While we do receive some premises information from local authorities, it is important for us to be able to cross-check this information.

## Sector specific information

### **Arcades and gaming machines**

New easier-to-use 'gaming machine and technical' return combined from the previous 'gaming machine and software manufacturers' return and the 'gaming machine supplier' return.

Removed the information on games with a view to obtaining separate information from manufacturers via provision of machine test reports.

### **Betting**

Generic changes only.

### **Bingo**

Removed the information required for recording under age access for bingo operators. This is because it is legal for those aged under 18 to enter bingo premises.

### **Casinos**

New section added to Annex A of the casino return to collect poker data.

Also in Annex A, changed one of the game types listed. The return now asks for 'Electronic gaming' rather than 'electronic roulette' due to other games being made available electronically (eg blackjack, punto banco).

### **External Lottery Managers (ELMs) and society lotteries**

#### ELMs

ELMs to list who they run lotteries for.

Removed the requirement to record the number of Suspicious Activity Reports (SARs) submitted.

#### Society lotteries

Operators required to record the name of the ELM they use.

#### Both ELMs and society lotteries

Number required of each type of lottery they offer for each frequency of draw.

Data requests from Section 1 of Annex B for remote lotteries now incorporated into the main return under the 'Operational information' section.

Removed both Annex A and B, and introduced a 'Financial information' section to capture data that will allow us to retain an overview of the scale of remote and non-remote lotteries.

Total number required of remote and the total number of non-remote society lotteries managed, and the total tickets sales/proceeds, split into lotteries managed on behalf of Gambling Commission licensed society lotteries, and society lotteries registered with local authorities.

### **Remote betting, bingo and casino**

Only one set of answers covering all sectors is now required regarding the details of customer accounts.

New question added to provide separate information on accounts held in Great Britain (GB) and overseas accounts. Number of player sessions and number of unique players no longer required.

New category to include pool betting added on the performance of remote games measured by the amount wagered and the payout, subdivided into betting, bingo and by individual casino game.

Betting category expanded to include betting on golf, tennis, cricket, and financial, and is also split into two sections for real events and virtual events. The same data required of betting games will also be applicable to the new pool betting games category added to this section.

Information required about the testing of games that are activated, so they can be matched to the test reports that operators are already required to submit under licence condition 2.

New field added to the return enabling operators to provide details of their completed annual information security audit, including the date of the audit and which firm conducted the audit.