

licensing authority bulletin

December 2017

“Happy Christmas”, “Nadolig Llawen”, “Nolliag Chridheil” to all LAs. The Commission wishes to thank you for all your contributions to the shared regulation of the Gambling Act this year, and we look forward to continued close partnership working in 2018. It will be a busy year with Gambling Statements of Policy up for review prior to republication in January 2019.

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News

Gommission’s Raising Standards conference

Speaking at the conference, Sarah Harrison, Gambling Commission Chief Executive, reflected on the 12 months that have passed since the last conference, noting that while progress has been made, the industry hasn’t gone far enough to make gambling fairer and safer for consumers.

Sarah noted that “there has been some progress across the market that should rightly be acknowledged.” She later added: “The bar has been set too low by operators in relation to treating customers fairly. The customer experience has not been what it should be, and change is now coming. Fairness is key, transparency is essential, and

unreasonable behaviour will not be accepted, by us,

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by our partner organisations and certainly not by the consumer.” Sarah’s full speech, along with that of Bill Moyes, Chair of the Commission is available on our [website](#).

Commission analysis of Scottish gambling data

In November 2017, the Commission published an [analysis of gambling data](#) from the Scottish Health Survey 2016. Among the findings were:

- 66% of people in Scotland gambled (67.8% in 2015)
- 49% of people in Scotland (excluding those who had only played National Lottery draws) gambled in 2016 (49% in 2015)
- 12% of people in Scotland (excluding those who had only played National Lottery draws) had gambled online (12% in 2015)
- 1% of people in Scotland identified as problem gamblers (0.7% in 2015)
- 3.6% of people in Scotland are at low or moderate risk of developing problems with their gambling (4% in 2015)
- 1.3% of gamblers in Scotland identified as problem gamblers (1% in 2015)
- 4.9% of gamblers in Scotland are at low or moderate risk of developing problems with their gambling (5.5% in 2015)
- around 205,000 people in Scotland are identified as problem gamblers or at risk of developing problems with their gambling (210,000 in 2015)

Commenting on the analysis, Commission Executive Director Tim Miller said: “We will continue to take action to make gambling fairer and safer and work closely with partners across Scotland. With our latest Licensing Authority statistics showing that there have been few licensing authority inspections in Scotland we will also support and encourage local councils to increase their inspections of gambling premises.”

Broadway Gaming to pay £100,000 penalty package for misleading advertising

Broadway Gaming Ltd will pay a penalty package of £100,000 for failing to include significant terms linked to promotional adverts found on five of its gambling websites. The Advertising Standards Authority ruled that the advert – which offered “Deposit £10. Play £35” – was misleading as it did not communicate significant conditions associated with the promotion.

Commission presents at SLLP conference

On 1 December 2017, Rob Burkitt, Policy Development Manager with the Commission, gave a presentation on the review of gambling statements of policy which must be reviewed and republished by January 2019 to the Scottish Licensing Law



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and Practice (SLLP) Licensing Conference in Glasgow. The event was attended by nearly a hundred delegates drawn from LAs, local councils, the industry and licensing lawyers. Amongst the other presentations was an update from Councillor Stewart Hunter, Convener of the Dundee City Licensing Board talking about the preparation of new alcohol licensing policy statements which Board's will also have to prepare next year alongside their statements of policy for gambling.

Scottish crime campus visit

The Commission recently met with police colleagues at the Scottish Crime Campus at Gartcosh, to explore opportunities for joint working. The campus is a key part of the Scottish Government's strategy to tackle serious organised crime and it provides purpose built specialist accommodation for elements of the Police Service of Scotland (including the former Scottish Crime and Drug Enforcement Agency (SCDEA)) and its partner agencies and enables closer and more joined up working in the fight against Serious Organised Crime. These agencies include parts of the Crown Office and Procurator Fiscal Service; the National Crime Agency; and HM Revenue and Customs.



Small operator workshop - Borehamwood

Following the success of the [recent workshop in Crawley](#) for operators in south east England, which was also attended by some LAs, we are holding another workshop on Tuesday 9 January 2018 at Hertsmere Borough Council, Civic Offices, Elstree

Way, Borehamwood.

Whilst this is primarily an operator workshop looking at compliance issues we are however accepting expressions of interest from LAs in the neighbouring area and will endeavour to accommodate if we have sufficient space. If you want information/wish to register your interest in attending please contact prcompliance@gamblingcommission.gov.uk

Topics covered will include: common compliance failings, anti-money laundering risk assessments, multi operator self-exclusion scheme (MOSES) and local risk assessments.

Doncaster woman whose son took his own life through gambling is awarded

Anne Evans from Doncaster has campaigned to safeguard people from problem gambling since her son took his own life at the age of 40, following a gambling addiction. Anne gained the support of Doncaster's Director of Public Health, and working with the Health and Wellbeing Board, she won the backing of Doncaster GPs and chemists to put up posters and leaflets to raise awareness of the issues around problem gambling. Publicity material has been displayed in 50 GP practices and 75 chemists in Doncaster.

Anne recently received an [Excellence in public health and wellbeing 2016 award](#) for her work, presented to her by Jane Ellison MP, Minister for Public Health.

Guardian article about betting shops, planning and the appeals' process

[A recent article](#) about the fact that since the beginning of this year, the Planning Inspectorate in England, which acts as the independent adjudicator for planning appeals, has considered five appeals by bookmakers against planning decisions by Rotherham, Lancaster, Lewisham, Greenwich and Doncaster councils. In each case, local authority's decision to refuse planning permission was overturned and the inspectorate cited the lack of conclusive evidence that social harm can be caused by betting shops.

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Chief executive leaves Commission

Sarah Harrison, the Commission's Chief Executive, will be leaving at the end of February 2018 to take up a senior role with the Department for Business, Energy and Industrial Strategy. The search for Sarah's successor is already underway. A further announcement will be made once a new chief executive has been appointed. Neil McArthur, the Commission's Chief Counsel and Executive Director, will be appointed by the Commission as Acting Chief Executive with effect from 28 February 2018 until the permanent CEO can take up post.

Case studies

'Chase the Ace' - unlawful lotteries run in public houses in South Devon

Over the summer, there were a number of reports of unlawful lotteries being run in public houses in South Devon. The lotteries operate by customers purchasing a raffle ticket at £1.00 each. A draw takes place each Saturday with the winning customer invited to choose one of the envelopes pinned to the wall behind the bar. Each of these envelopes contains a playing card with any card other than the joker resulting in the customer winning £30.00. Should the card picked be the joker, the customer wins the jackpot. The jackpot is comprised of the amounts above the £30.00 paid out weekly (in effect a rollover).

Based on the fact that the company was deriving no financial profit from the scheme it was decided that the promotion may be operated as a customer lottery subject to meeting the requirements for that type of exempt lottery:

- There can be no rollover 'jackpot'.
- No ticket may result in the winning customer winning more than £50.00.
- A draw cannot take place with seven days of the previous draw.
- Tickets must display the required information (the name and address of the promoter, price of the ticket, those who can buy the tickets and the fact that tickets are not transferable). They

cannot be a cloakroom ticket.

- The lottery may only be advertised on the premises where tickets are sold.
- No profit can be made (customers lotteries are not suitable for fundraising).

LAs in Devon advised licensees to ensure that the changes required to the scheme were implemented with immediate effect. Any monies in the jackpot above the prescribed limit of £50.00 maximum prize per draw have been returned to customers who have paid for the tickets during the time the scheme has been operating. Further information may be found our guidance note '[Organising Small Lotteries](#)'.



Club permit renewal - Harrogate Borough Council

As club gaming and club machine permits start to come up for their 10 year renewal, one LA shares its experiences of why it is vital to carefully consider the renewal applications and arrange to visit (the renewal process is the same as the process for a new application so LAs can visit the premises).

A premises has a premises licence issued under the Licensing Act 2003 (LA03), held by a limited company incorporated in 2006. One of the objectives for which the company was established in documentation supplied to Companies House was 'to carry on business as a general commercial company'.

A club gaming permit application was submitted on

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13/08/07 with the permit granted on 06/09/07. This was not a fast track application under the Gambling Act 2005 as the premises did not have the benefit of a Club Premises Certificate issued under LA03.

In June 2017 the licence holder contacted the council's licensing department to request guidance on the process as the club gaming permit was coming up to renewal. An arrangement was made to visit the premises to view how it was being run and question the licence holder as to how the premise operated as it was suspected that the premises were being run commercially and therefore not entitled to a club gaming permit. The premises had not been visited or inspected previously, and had not been the subject of any complaints.

During discussions the licence holder confirmed that the area that was licensed under the club gaming permit was separate to the main premises, a club within a club with separate access systems. The main club was a snooker club, run on a membership scheme, albeit commercially. Customers gaining membership of the snooker club were then permitted access to the gaming.

The licence holder advised that it was a separate entity and that it was not commercially run. He confirmed that it had a committee and had regular meetings, etc. Payments for use of the facilities were made to the commercial company. Licensing officers reiterated that they were of the opinion that the club gaming permit had been issued incorrectly and advised the licence holder that he could submit an application for a club gaming permit. The licence holder advised that he wanted a club gaming permit as he was intending to sell the club and didn't want to have the stake/prizes restrictions placed on machine permits.

The council sent a follow up letter advising that it needed to be satisfied that the club was operating in good faith and correctly established, was not a commercial club and was conducted purely for the benefit of the members. To assist in determining the status of the club, licensing officers requested the following documentation to support any renewal application.

- Copy of the club constitution, club rules and details of minutes confirming endorsement by members
- Details of the club committee including dates of nomination and roles/responsibilities
- Club accounts, including any dividends paid to members or shareholders
- Copies of meeting minutes and AGM minutes, including committee voting
- Copy of membership list, including names, addresses and date of membership
- Arrangements for associated members, guest members and non-members
- Details of any financial arrangements with commercial company
- Details of any linked membership arrangements with the commercial company

The renewal period (beginning six months before the permit expires and ending two months before it expires) for the club gaming permit had lapsed during discussions so the licence holder was advised that he had to submit a new club gaming permit application, including all the requested documentation, or to submit an application for a club machine permit. A new application for a club machine permit was submitted by the commercial company on the 30/11/17 and is being considered.

Further information about club permit renewals including guidance notes and template letters is available on [our website](#).

LAs and police are encouraged to send case studies for inclusion in future bulletins. Please supply details to info@gamblingcommission.gov.uk

Advice and guidance updates

How to play bingo in a retirement home

Over the past few weeks we have received a number of enquiries about whether bingo can be played in retirement and care homes. Our bingo specialist Peter Rangeley explains the rules that you

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should follow.

“Providing bingo, or other forms of gaming, does not require a licence or permit if it meets the requirements of **private gaming**.

Private gaming can only occur in a place to which the public does not have access (this means private dwellings, retirement homes or similar). Residential gaming is a form of private gaming, and is permitted without licence or permit provided that:

- it takes place in a hall of residence, retirement or care home, hostel or similar venue
- more than half of the participants are residents at that venue.

There cannot be any charge for participation in private gaming. This means that the organiser:

- cannot make any profit from gaming, irrespective of how they intend to use the profits (profit cannot be made even for charitable purposes)
- there can be no entrance fee or charge for admission
- no amounts can be deducted from players' stakes or from prizes awarded.



A player's gaming stake is not the same as a charge for participation. While there must be no fees, charges or deductions, participants in private gaming are still able to play with cash stakes, and prizes may be awarded in cash.

Organisers should remember that for games of

bingo (and for any other form of 'equal chance' gaming such as poker, backgammon, rummy, dominoes, cribbage or mahjong), all of the money that is staked must be returned in prizes to winning participants.

For example, if the bingo players have paid £30 in total, all of that £30 needs to be returned as prizes. It is up to the organiser to decide how that £30 will be divided as prizes.”

For further information see or [advice on non commercial and private gaming and betting](#).

Gambling Statement of policy 2019-2022 - presentation offer

In September we wrote to Heads of Service about the requirement to review gambling Statements of policy next year prior to republication by 3 January 2019 (coming into force 31 January 2019). The statements must be reviewed and republished in line with the statutory 3 year timescale even if amendments have been made in the intervening period.

The function of the Statement is to reflect locally specific gambling concerns and circumstances, to reflect the Council's wider strategic objectives and to provide a point of reference for gambling activity. The active and iterative use of the Statement can play an important role in setting expectations about how gambling will be regulated locally.

In future Bulletins we will be sharing information and examples of good practice to assist with your review process. We are also keen to present at your IOL/ regional licensing groups to talk through the key issues that you should be taking into consideration. Please contact your local compliance manager in the first instance if you want us to attend and discuss Statements.

When planning for next year's review you may want to consider working with your neighbouring LAs. One of the common issues that is raised by our licensees is the perceived inconsistency between Statements often from neighbouring authorities. Whilst we are certainly not advocating a 'one size fits all' approach, there is the opportunity to

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proactively review the Statements and take into account good practice. In addition, we are aware that reviewing these Statements often takes up a considerable amount of LA resources which are often at a premium.

In order to try and address this a number of licensing authorities are adopting a more joined up approach to the next review process. These include the 15 LAs in the Greater Manchester area; 6 LAs in Worcestershire and workshops are planned in February for LAs in Somerset / Devon and Cornwall to explore how they can work together on the Statement review.

If you and your neighbouring LAs are interested in having an initial discussion about jointly working on Statements please contact your local compliance manager.

Changes to society lottery and external lottery managers operating licence requirements

We have [published the response to our consultation](#) on proposals to change some parts of the Licence Conditions and Codes of Practice (LCCP) applicable to lottery operators.

The response outlines concerns voiced by lottery operators and trade associations on the wording of some of the proposals, and the new codes reflect some of these concerns.

Our guiding principles throughout this review process was to ensure consumers have information available to them on the nature of the lottery products on offer, and the percentage of lottery proceeds returned to the purposes of each society. The changes (see pages 10/11 of the response document) will come into force on 4 April 2018.

Print friendly GLA

LAs can now print whole parts of the [Guidance to Licensing Authorities](#) (GLA) by just pressing control + P. Previously you could only print the page that you were viewing

Information sharing

Know the odds: the links between mental health problems and gambling

Independent charity Money and Mental Health Policy Institute recently [published a paper exploring the mental health conditions and gambling](#) and makes recommendations to protect this particularly vulnerable group of consumers. Mental health problems can lead people to become problem gamblers, increase the harm caused by problem gambling, and make it harder to quit. The paper reviews existing academic literature on mental health and gambling and also includes new qualitative research undertaken by the Institute.

GamCare's annual review 2016/17

GamCare has published its [annual review](#) with headlines including:

- National gambling helpline and netline received over 43,000 calls
- Treatment centres saw over 8000 clients (18% increase on previous year)
- Over 1000 people received GamCare training about problem gambling
- Youth outreach support is now active in four areas (Bristol, Birmingham, London and Manchester/Liverpool).

Annual meeting with seaside LAs

We are holding our annual meeting of the year for LAs with coastal/seaside areas on Monday 26 February 2018 in our offices in Victoria Square House, Birmingham. Updates will be provided on topics such as Statement of Policies, public health and arcades. Coastal LAs should contact info@gamblingcommission.gov.uk if you haven't already received your invitation.

Gambling training modules for LAs

We have a number of refresher modules for licensing officers which compliance managers can deliver at regional/IOL licensing meetings. Modules

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available are:

- **New** Safeguarding
- Money laundering
- Illegal betting in pubs
- Poker in pubs
- Small society lotteries
- Club gaming and club machine permits
- Test purchasing in England and Wales
- Gaming machines
- Betting at tracks
- Police powers on conducting gambling premises inspections (in gambling premises and alcohol licensed premises in England and Wales)
- Permit renewals.

If you are interested in receiving such training, please contact your compliance manager.

E-learning modules

We have been working with the Institute of Licensing (IOL) to produce a series of e-learning modules on gaming machines and how they are regulated.

Module 1 covers:

- The role of LAs in the regulation of gambling
- What is a gaming machine
- The various types of gaming machines

Module 2 covers:

- The physical components of a gaming machine
- How gaming machines work
- The signage displayed on gaming machines

New module 3 covers:

- Compliant machines in inappropriate places (illegal siting)
- Examples of types of non-compliant machines
- How to take regulatory action

These modules can be accessed by anybody. You can access these modules via the [IOL website](#), and they are CPD accredited (based on a 30 minute average). Once on the website simply click on the 'e-learning' tab on the top right, then log in if you have an existing account, or request a log in via membership@instituteoflicensing.org to get started.

Please note, that the gaming machines sector is a diverse and complex one and this training is only designed to give a basic introduction, for help with complex issues seek specialist advice.

We are considering topics for future e-learning modules for licensing authorities and police, please submit suggestions to info@gamblingcommission.gov.uk.

Reference materials

List of Primary Authority gambling agreements

Gambling Primary Authorities (PA) agreements signed to date. LAs are reminded that there is no restriction on any LAs wishing to undertake proactive test purchasing activity where the PA has not developed a National Inspection Strategy (NIS). Please contact the PA directly if you wish to participate in the NIS testing.

Milton Keynes	Ladbrokes/Corals (with NIS)
Milton Keynes	Welcome Break
Reading	Paddy Power (with NIS)
Reading	BACTA
Reading	ABB
Reading	William Hill

What impact does PA have on inspections?

During licensing inspections in operators that have an inspection plan or primary authority advice in place, officers do not need to review policies and procedures relating to age verification. This avoids duplication of time and effort as these have been checked nationally by the Primary Authority. However, officers are encouraged to ask questions/test knowledge of staff in the shop to check the implementation of the licensing objective of the protecting children from being harmed or exploited by gambling.

Officers can access information, including FAQs, on the [Primary Authority Register](#) in advance of an inspection of an operator with an inspection plan or primary authority advice on age verification in place to assist with getting the most out of the visit.

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Print friendly quick guides and template letters

LAs are reminded that we have a number of quick guides. Some are designed to give to operators when undertaking visits, others provide an accessible 'how to' for licensing staff. For print friendly versions: just click on the line at the front of each quick guide Click here for printable version and make sure your printer is set to print on both sides of the paper:

- [Statement of Principles \(for councillors\)](#)
- [Money laundering](#)
- [Gaming machines in pubs](#)
- [Race night, casino night or poker night](#)
- [Members' club or commercial club](#)
- [Poker in clubs](#)
- [Poker in pubs](#)
- [Facilitating betting in pubs and clubs is illegal](#)
- [Skills with prizes](#)
- [Illegal gaming machines](#)
- [Comparing lottery ticket dispensers and B3A machines](#)
- [Illegal siting of gaming machines](#)
- [Fairs and fairgrounds](#)
- [Running a lottery](#)
- [Running prize competitions and free draws](#)
- [Multi-activity sites](#)
- [Police statutory powers under the Gambling Act](#)

[Examples of non-complex category D gaming machines](#) and information about how they should be correctly labelled as category D non-complex crane grab machines is also available in this section of the website.

Example letter templates are also available, which LAs may wish to use when dealing with issues such as [illegal machines in pubs](#), and [illegal poker or betting in pubs](#) and [third parties running poker in clubs](#).

We also have compiled a [list of sample conditions](#) that LA have attached to premises licences. These are provided for illustrative purposes only. They provide examples of sorts of conditions a licensing authority may wish to think about when addressing similar evidenced based concerns within a local area.

Licensing authority inspection outcome letters and inspection guidance

In 2013, we worked together with the Leicester, Leicestershire and Rutland Licensing Forum and the Leicester and Leicestershire Enterprise Partnership (LLEP) to create templates for assessments at gambling premises. The templates included reference to the social responsibility code provisions issued by the Commission under s153 of the Act. We also jointly created a suite of letters to assist LAs in communicating the assessment outcome to operators.

These documents were last updated in October 2016 and now include a simple risk rating system for LAs to use as part of their inspection planning if required. At the same time, 2 new assessment templates were added – a machine monitoring checklist and a crime and anti money laundering checklist. You can find the assessment templates at the [LLEP website](#).

Gambling Act statutory notices and forms

LAs are advised that DCMS has asked the Commission to host all the statutory notices and application forms on the [Commission's website](#) as they are no longer available on the DCMS website.

Using the right forms

It is a statutory requirement that applicants use the correct forms to give proper notice of applications, variations etc to all responsible authorities, including the Commission (part 3, s 12 and 13 of the Gambling Act 2005 (Premises Licences and Provisional Statements) Regulations 2007).

LAs also have statutory duties to notify the Commission as well as the applicant and other responsible authorities of the grant/rejection of applications (new, variations, transfers etc) as well as the revocation, surrender or lapse of a premises licence using the correct statutory forms.

Having all the statutory forms (both in English and in Welsh) in one place should help you to comply with those statutory processes.

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Additionally we are aware that the gambling pages on many LA websites signpost applicants to the DCMS website for more information. As you will know the separate government departments now all use the www.gov.uk website and much of the historic gambling material is no longer available. LAs may wish to review and update their websites, signposting to the Commission's website where appropriate.

Premises licence register

LAs are reminded that the information on the publicly available [premises register](#) is based on the statutory notifications received from LAs regarding grants, variations, revocations, lapses etc, and is updated monthly. LAs are encouraged to use email to submit details of grants, transfers, notices, revocations, permits sending **all** necessary correspondence to info@gamblingcommission.gov.uk. Where email notification has been made it is not necessary to follow up by post. In relation to gaming machines, please only share notices of grant/rejection of Club Machines Permits and Gaming Machine Permits, as there is no requirement to advise us when an alcohol licence holder submits their notification for an automatic entitlement to two gaming machines. However LAs must keep a record of how many automatic entitlement notifications it receives each year, as that information is requested in the annual LA returns.

Find operating licence holders

We also [publish](#) the names of all companies and individuals who hold, or have applied for, operating licences in Great Britain along with the names of companies or individuals whose licences have lapsed, been revoked, forfeited, expired, suspended or surrendered in the last 6 months. LAs are reminded to check the operator licence quoted on premises applications with the register before granting a premises licence. An application for premises licence may only be made by persons who have an operating licence which allows them to carry out the proposed activity for example a bingo operating licence for a bingo premises, or have applied for an operating licence (although the premises licence cannot be determined until an

operating licence has been issued).

Change of licensing personnel?

We try to ensure our contact records are up-to-date, but please help us out by letting us know when there are any changes of gambling contacts in your LA so that our communications reach the correct person.

[Subscribe to our monthly LA bulletin](#) which provides co regulatory partners with news updates, advice, guidance and case studies of LA and multi-agency gambling work.



Join our LinkedIn group

Our [licensing officers and LAs group](#) is aimed at helping licensing officers understand the key role LAs play in gambling regulation in Great Britain.

You can share good practice and find out how LAs have a number of regulatory functions including issuing premises licences, regulating gaming and gaming machines in clubs and pubs, inspection and enforcement of licences and lots more.

You can also follow [the LinkedIn Gambling Commission company page](#).

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www.gamblingcommission.gov.uk