

# licensing authority bulletin

October 2018

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## News

### Latest licensing authority statistics published

We have published the licensing authority statistics for the year ending 31 March 2018.

This latest edition provides a comparison on data covering the period 2013 to 2018.

## Providing up-to-date information and guidance on gambling licensing issues

We have also published an Excel version of the statistics to provide more transparency and an element of interactivity with the figures and enable you to compare your activity with other LAs.

All 380 licensing authorities (LAs) submitted their returns – many thanks again to LAs for the full house of returns for the fifth year running. The report contains information about the number of permits, temporary use notices, and occasional use notices issued, as well as the number of gambling premises inspections conducted.

Between 1 April 2017 and 31 March 2018:

- 4, 518 gambling-related permits were issued or notifications received (+33% from March 2017).
- 4, 917 inspections /visits to gambling premises by LAs (-8% from March 2016). This includes proactive and reactive visits, follow up inspections and test purchasing exercises.
- 121 LAs didn't conduct any visits during the year (down from 131 LAs in March 2017).

We will be writing to those LAs that did not undertake any inspection activity last year.

### Commission's drop-in surgery at the IOL National Training Event

We will be presenting on Thursday 15 November at the Institute of Licensing (IOL's) training event in Stratford upon Avon. The focus of the presentation will be the Commission's work in protecting children and young people from the dangers of gambling

We will also have a gambling drop in surgery for LAs on Thursday 15 November where a number of gaming machines will be available for you to explore and ask questions about.

We also intend to launch two new e-learning modules at the event, which the IOL will be hosting on its website:

- Inspection powers and inspection preparation
- Introduction to inspecting a betting premises

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## Responsible Gambling Week 1-7 November 2018

Responsible Gambling Week is a cross-industry initiative to promote responsible gambling. The Week is designed to get people talking about what it means to gamble responsibly, focusing on the tools that are available to keep gambling fun and how players across all types of gambling can gamble safely.

Gambling venues will be promoting Responsible Gambling Week immediately prior to and during the Week, along with support organisations such as the National Gambling Helpline, GamCare and GambleAware. A range of resource materials are available for those wishing to support the Week.

## Latest Health Survey data published

We have recently published the latest combined Health Survey, which outlines participation, at-risk gambling and problem gambling rates across Great Britain. The data is drawn from field research carried out by NatCen in 2016 across England, Wales and Scotland. Key findings include:

- 1.2% of gamblers were classed as problem gamblers (0.7% of the population) – this is statistically stable, and consistent with both 2012 and 2015 reports;
- 2.4% of people were classed as low risk gamblers, and 1.1% of people as moderate risk gamblers;
- Problem gambling was more prevalent among people who had participated in multiple gambling activities in the past year, than those that had just participated in one;
- 57% of adults (aged 16 and over) in Great Britain had gambled in the past year – this is down by 6% compared to 2015;
- Men (62%) are more likely to participate in gambling than women (52%);
- Most popular gambling activities were: National Lottery draws (41%), scratchcards (21%) and other lotteries (14%);
- Gambling participation (excluding National Lottery draws only) was highest among 25 – 34 year olds;
- Gambling participation was lowest among non-drinkers (36%), followed by those who drank up to 14 units of alcohol per week (59%) and were highest for those who drank more than 14 units per week (69%);
- Problem gambling rates were higher among those with probable mental ill health (according to the GHQ-12 score), than those that indicated no evidence of probable mental ill health.

## Scottish Health Survey

The Scottish Health Survey 2017, provides information on the health, and factors relating to health, of adults and children in Scotland. Chapter 9 focuses on gambling behaviour, with some of key findings being:

- Adult gambling activity participation decreased from 70 per cent in 2012 to 63 per cent in 2017; largely driven by a decrease in National Lottery participation from 58 per cent in 2012 to 46 per cent in 2017.
- In terms of gambling activity in 2017, six in ten adults gambled, men more so than women (66% and 60% respectively).
- The most popular gambling activity for adults last year was purchasing tickets for the National Lottery draw (46%); buying scratchcards (22%); other lotteries (17%); betting on horse races (not online) (11%) and online betting with a bookmaker (10%).

## GambleAware and Citizens Advice partnership

GambleAware has announced a new two-year, £1.5 million partnership with Citizens Advice to help debt advisors better understand, prevent or reduce gambling related harms.

Being delivered across nine regions in England and Wales, the project will provide training to frontline debt advisors. The training will give staff the necessary tools to identify and support people who may be suffering from gambling related harm, as well as directing those at risk to the specialist help that is available.

The project will establish regional hubs with dedicated support staff across the country and will enable staff to deliver training to other frontline workers in other professions who come across people suffering from gambling related harm, such as frontline local authority staff, youth practitioners and healthcare workers.

## Fast Forward funding

In August GambleAware announced that Scottish charity, Fast Forward, had secured a £750,000 grant to run a major national youth problem gambling initiative across the country for three years. The funding will be put towards the development of a new Scottish Gambling Education Hub. The Hub, which is based on the Gambling Education Toolkit, developed by Fast Forward last year, will extend the scope and scale of gambling education, awareness, training and support offered to organisations. The aim of the project is to help organisations address gambling issues with young people across Scotland.

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The programme will provide the relevant training and resources needed by youth-workers, teachers and other professionals to address gambling-related issues.

## Gambling advertising and sponsorship rules reminder for operators

We've teamed up with the ASA and CAP to remind operators of some of the key rules and requirements relating to gambling advertising and sport sponsorship including.

- Gambling adverts on football club websites: adverts or sponsorship links must not appear on football website pages that are targeted at children.
- Gambling logos on under 18s football shirts: logos or other promotional material must not appear on any commercial merchandising (eg replica shirts) which is designed for use by children.
- Terms and conditions: must be made clear to consumers and promotions must not be misleading.
- Advertising that appeals to under 18s: for gambling websites must not display freely accessible ads, which feature images that are likely to appeal particularly to under 18s.
- Advertising and problem gambling: advertising must not appeal to or target problem gambler

New rules which come into force from 31 October 2018, mean gambling companies that break advertising rules or breach consumer law will face tougher action. The new requirements provide stronger protection for consumers and ensure they are treated fairly by gambling businesses and make it easier us to take action, including imposing fines, against gambling businesses that break advertising rules.

## Case studies

### Haringey's illegally sited machines and betting terminal prosecution

Following previous warnings to the owner regarding siting of illegal machines, enforcement officers from the London Borough of Haringey with Haringey's partnership police team, accompanied by the Commission's local compliance manager, seized 7 illegally sited gaming machines and an illegal betting terminal in February 2018 from a social club in the borough as part of a joint enforcement operation tackling crime.

The machines sited included variety of Joker Poker type machines and Black Horse machines .

The illegal betting terminal displayed odds for various sporting events for which customers could place bets by printing slips from the terminal and paying money to staff behind the counter.



The club owner appeared at Highbury Corner Magistrates Court in September 2018 and pleaded guilty to offences under the Gambling Act. The owner was fined £600 for the offences, £400 in costs and surcharges and a forfeiture order was made for the machines and betting terminal.

### Training Powys' licensing committee

One of the Commission's compliance managers recently attended the Powys licensing committee meeting to deliver some member training and to support the senior licensing officer Sue Jones who was presenting the council's draft Statement of Gambling Policy to the Committee.

As part of the training licensing councillors were taken to an independent betting shop in LLandridnod Wells where members were able to see first-hand how a small-scale bookmaker operates.

The shop manager explained how the operation worked and answered some searching questions from members about a betting shop in general. They now have a greater understanding of general bookmakers especially the multi-operator self-exclusion scheme.

Asked what the strangest bet he had ever been asked to take the shop manager said it was for a bride not to turn up to her own wedding in the town some years previously. He didn't take the bet, she didn't turn up, and he later learnt the person wanting to place the bet was her sister!

### Bolton Council's multi agency day of action

Bolton Council recently ran a town centre action day with various inspections carried out by different council teams including food, health & safety, immigration, licensing and fire.

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The Commission supported the licensing team in conducting inspections of betting shops focusing on compliance with protecting children and the vulnerable and the prevention of crime, using LLEP inspection templates. The LA will write to all premises visited to advise them of the remedial action required to address the issues that were identified. These primarily related to the local risk assessments as operators had not addressed the issues in the council's statement of policy when producing the risk assessments, nor involved in the shop staff in the process.

LAs and police are encouraged to send case studies for inclusion in future bulletins. Please supply details to [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

## Advice and guidance updates

### 'Coffee shop gambling venues' - guidance to LAs on the presentation and function of gambling premises

We have recently worked with operators and LAs to discuss high-street gambling premises that are fitted out to look like 'relaxed leisure' premises from both the outside and the inside. These include, for example, premises that have coffee shop facilities available alongside full gambling opportunities such as bingo and category B gaming machines.

In instances where there are only limited indicators that the premises are licensed for gambling, we and LAs have concerns that customers might not be aware that they are actually entering licensed gambling premises. This is because children and vulnerable gamblers might attempt to enter the venues having not realised that gambling facilities would be available.

While provisions such as the Mandatory and Default Premises Licence Conditions outline certain minimum requirements in terms of the structure and layout of gambling premises, there is no provision that explicitly outlines how gambling premises should be presented.

However, where LAs have concerns over the appearance of gambling premises, they should be aware of the following:

### Social responsibility code provision 9.1 for betting, bingo and casino premises

Our Licence Conditions and Codes of Practice require that:

- Gaming machines may be made available for use in licensed premises only where there are also **substantive facilities** for the named non-remote activity available on the premises.
- Facilities for gambling must only be offered in a manner which provides for **appropriate supervision** of those facilities by staff at all times.
- Licensees must ensure that the function along with the internal and/or external presentation of the premises are such that a **customer can reasonably be expected to recognise** that it is a premises licensed for the purposes of providing betting, bingo or casino facilities, as per the named activity on the premises licence.

This code supports one of the original principles of the Gambling Act (the Act) that non-remote gambling and category B gaming machines should be **confined to dedicated gambling premises**, which consumers attend for the purpose of gambling, or for whom **the prospect of such gambling facilities being available can be reasonably expected**.

In short, customers must be aware of the type of gambling premises they are attending so that they can make a deliberate choice whether to enter.

The Act is underpinned by the principle that any non-gambling activity that takes place in licensed gambling premises (e.g. the consumption of alcohol, the provision of refreshments) should be ancillary to the gambling facilities offered. As such, we would regard it as wholly unacceptable for a pub to have a premises licence for bingo or a nightclub to contain a casino.

Further details can be found in the responses to our 2016 consultation on controlling where gaming machine may be played.

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## Guidance to Licensing Authorities (GLA)

In our GLA we advise that licensing authorities are not being asked to impose a 'one size fits all' view of how gambling premises should look and function.

Rather, they should be ensuring that premises licensed for the purposes of providing certain types of gambling facilities are operating as such and are not merely a vehicle to offer higher stake and prize gaming machines.

Where LAs have specific concerns, they are encouraged to consider the following questions:

- **Where changes are being made to the presentation, structure or layout of existing licensed premises, did the operator submit a premises licence variation?**

An application for a variation will be required where there are 'material changes' to the layout of the premises. What constitutes a material change will be a matter for local determination, and it is expected that a common-sense approach will be adopted. However, changes made to gambling premises so that they are less obviously gambling premises - or where non-gambling facilities become a fundamental part of the commercial purpose of the premises - are highly likely to constitute a material change.

A variation application would provide an opportunity for the authority to require certain controls to be put in place by the operator before the application was granted. Conversely, failure to submit an application would provide strong grounds for premises licence review.

- **Has a local area risk assessment been completed (or updated, in the case of existing premises) to reflect the risks to the licensing objectives posed by the premises?**

The 'coffee shop' model of gambling premises is ultimately a diversification in commercial offering, aimed at attracting a greater and different type of footfall to gambling. This changes the nature of the risks that the licensee must consider. For example, a LA might require the operator to use its local risk assessment to demonstrate exactly what controls are in place, and at what times of day, to prevent access to the premises by children and vulnerable persons.

## 3 yearly Statement of Policy review

We have currently received over 200 gambling statements of policy and have written to those who have yet to share their consultation with us, reminding them of the timescales for the 2019-2022 statement. If you have yet to share a copy of your consultation with us, please send it to [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk).



In response to a few queries about the timetable for publication, LAs are reminded that the [Gambling Act 2005 \(Licensing Authority Policy Statement\) \(First Appointed Day\) Order 2006](#) sets out the date that the first Statement came into effect "For the purposes of section 349 of the Act (requirement on licensing authorities to publish a policy statement every three years), the first appointed day shall be 31st January 2007".

Section 349 of the Gambling Act provides further detail about the policy. Section 349(1) and (2) are specifically worded as to be independent of each other. LAs are under a specific obligation to prepare the statement of principles and publish the statement every 3 years and separately from this, LAs are also under an obligation to review the statement 'from time to time' and, if felt necessary, make any changes. Furthermore, the explanatory notes for the Act state that "The policy will have effect for three years, but the authority may review and alter the policy during that period".

LAs will wish to take their own legal advice but we are of the view that even if the policy is reviewed and altered during that 3 year period, the 3 year period still remains as a standalone period of time which is not reset – the review of the policy needs to be done during the 3 year period, and not in place of a fresh policy being prepared and published every 3 years.

Additionally the [Gambling Act 2005 \(Licensing Authority Policy Statement\)\(England and Wales\) Regulations 2006](#) and the [Gambling Act 2005 \(Licensing Authority Policy Statement\) \(Scotland\) Regulations 2006](#) set out some other requirements for the Policy including that the statement must be published at least 4 weeks before the date on which it will come into effect.

Therefore, the current 3-year period (2016-19) requires LAs to prepare and publish their 2019-2022 policy statement by 3 January 2019 at the latest, with it coming into force on 31 January 2019.

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## Updated - Primary Authority gambling agreements

None of the Primary Authority partnerships have a National Inspection Strategy in place so there are no restrictions on proactive or reactive, intel led test purchasing.

However, anyone wishing to undertake test purchasing in Ladbrokes and Coral or Paddy Power must use the test purchasing protocol and methodology set by the Primary Authority. Details of the current gambling Primary Authorities (PA) agreements signed to date, and the impact on PA have on inspections is available on our [website](#). Officers can access further information, including FAQs, on the [Primary Authority Register](#) in advance of an inspection of an operator with a primary authority agreement on age verification in place, to order to get the most out of the visit.

## Entertainment bingo

In the [LA Bulletin November 2017](#) we drew attention to a new licensed bingo operator who is offering bingo in alcohol licensed premises (normally clubs) particularly targeting a younger audience like students. They are not the only entity to be trading across the country in a similar fashion, this includes festivals or similar events. Where possible we will contact LAs with further information if an event it is taking place in your locality, however should you have questions or concerns about entertainment bingo please contact your local compliance manager.

## Information sharing

### IoL Scottish Council meeting

We attended a scheduled meeting of the Institute of Licensing's Scottish Council in Glasgow in August 2018. The Council also agreed to take forward developing a training package for Civic Licensing Standards Officers in Scotland and to consider how it could contribute to the programme of activities being arranged for the next National Licensing Week in 2019.

### Code of conduct for councillors in Scotland

In July the Scottish Government published an amended [Code of Conduct for Councillors](#) setting out standards of behaviour to be followed by elected members of local authorities. The Code was issued by Ministers under the Ethical Standards in Public Life etc. (Scotland) Act 2000 and replaces the version of the Code that came into force in 2010. The Code applies to every elected member of a local authority in Scotland.

This version came into effect from 9 July 2018 and includes a section on "Taking Decisions on Quasi-Judicial or Regulatory Applications" which include decisions relating to the Gambling Act 2005.

## DCMS sectors economic estimates 2016: regional Gross Value Added (GVA)

[Figures from the UK Government](#) provide estimates of the 2016 regional gross value added (GVA) by the Department for Digital Culture Media and Sport (DCMS) sectors (which includes creative, cultural, digital, telecoms, gambling and sport).

It is estimated that in 2016 the contribution of DCMS sectors to the UK economy was £249bn, or 14.2 per cent of UK GVA. GVA for the gambling sector was evenly spread across the UK regions with London accounted for 16.7% of GVA for the gambling sector. However, GVA for the gambling sector was relatively small, accounting for around 1% or less of total GVA in most regions. Further detail can be found on page 13 of the report.

## Gambling training modules for LAs

We have several refresher modules for licensing officers which compliance managers can deliver at regional/IOL licensing meetings. Modules available are:

- 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

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- 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

## Module 3 covers:

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

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](mailto: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](mailto:info@gamblingcommission.gov.uk).

## Wrong number?

We have become aware that a number of LAs have the wrong telephone number for the Commission on their websites/gambling materials. Please ensure that you use the main telephone number 0121 230 6666 if you are signposting the Commission from your website.

## Reference materials

### 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:

- [Public health and gambling \(NEW\)](#)
- [Sharing information and intelligence \(NEW\)](#)
- [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

A partnership between the Commission, members of the Leicestershire Licensing Forum and the Leicester, Leicestershire and Rutland Enterprise Partnership (LLEP), have worked together since 2013 to produce range of documents intended to assist LA teams when carrying out inspections of gambling premises. These forms were updated in May and the LLEP project's website has been updated with the new versions of the forms. If you had previously downloaded the assessment forms – please replace them with the updated versions.

## 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).

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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.

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](http://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.

## Statutory notifications and 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 by sending **all** necessary correspondence to [info@gamblingcommission.gov.uk](mailto: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.

## Join our LinkedIn group

The [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](#).

**making gambling fairer and safer**  
[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)