

GAMBLING COMMISSION

Conditions and codes of practice applicable to

Remote external lottery manager licences

Remote non-commercial society lottery licences

**Remote non-commercial society lottery ancillary
licences**

Remote local authority lottery licences

Including sector-specific extract of
LCCP May 2019

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General introduction

- 1 This document sets out the Gambling Commission's general licence conditions and associated code of practice provisions (LCCP) under the Gambling Act 2005 (the Act) which are applicable to the specified sector(s).
- 2 The LCCP document sets out:
 - Part I: (in black)** statutory conditions attached by virtue of the Act
 - Part II: (in orange)** the suite of general conditions attached to operating licences
 - Part III: (in blue)** the principal code of practice, distinguishing between 'social responsibility' provisions and 'ordinary' provisions (the social responsibility provisions are in shaded boxes within the text).
- 3 An [index](#) to the provisions is provided at the end of this document, and if using an electronic version of this document, links are provided from both the contents and index pages to aid navigation.
- 4 Copies of LCCP can be obtained from the Commission's website: www.gamblingcommission.gov.uk or by writing to:
 - Gambling Commission
 - Victoria Square House
 - Victoria Square
 - Birmingham B2 4BP
 - T 0121 230 6666
 - F 0121 230 6720
 - E info@gamblingcommission.gov.uk
- 5 The Commission also produces sector-specific extracts of LCCP and these will be made available on the website. Further information about the history of LCCP (such as the results of completed consultations) and potential future amendments to LCCP can also be found on the website.
- 6 This extract of LCCP comes into force on **7 May 2019**.
- 7 Relevant requirements of the conditions and code provisions were notified in draft to the European Commission in accordance with Directive (EU) 2015/1535.

Part I: Statutory conditions attached by virtue of the Act

Social Responsibility

This licence is subject to a condition that the licensee ensures compliance with any relevant social responsibility provision of a code of practice issued by the Commission. The social responsibility provisions that are relevant to the activities authorised by this licence are set out in the section entitled Codes of Practice (Part III).

(Sections 24 and 82(1) Gambling Act 2005)

Return of stakes to children

This licence is subject to a condition that if the licensee (or anyone employed by the licensee to perform an operational function within the meaning of Section 80 of the Act) becomes aware that a child is using or has used facilities for gambling provided in reliance on the licence, the licensee:

- (a) must return any money paid in respect of the use of those facilities (whether by way of fee, stake or otherwise) by the child as soon as is reasonably practicable; and
- (b) may not give a prize to the child.

This condition does not apply to use of a Category D gaming machine.

(Section 83(1))

Lottery managers

The following condition applies to remote lottery manager operating licences only

To the extent this licence is relied on to authorise action as an external lottery manager in respect of lotteries promoted by societies or local authorities whose lottery operating licences require them to ensure that all the arrangements for the lottery are made by the holder of a lottery manager's licence, this licence is subject to any conditions attached to those licences by virtue of section 99(1).

Part II: Suite of general condition to operating licences under Section 75 of the Gambling Act 2005 (the Act)

1 Qualified persons and personal licences

1.1 Qualified persons

Licence condition 1.1.1

Qualified persons – qualifying position

All operating licences, except ancillary remote licences, issued to small-scale operators

- 1** In this condition the terms ‘small-scale operator’, ‘qualifying position’ and ‘qualified person’ have the meanings respectively ascribed to them by the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.
- 2** Schedule X¹ lists those individuals notified to the Commission as qualified persons.
- 3** If, whilst the licensee remains a small-scale operator, an individual begins or ceases to occupy a qualifying position in relation to the licensee, the licensee must within 28 days apply to the Commission under section 104(1)(b) of the Act for amendment of the details of the licence set out in Schedule X¹.
- 4** An application for amendment under section 104(1)(b) of the Act may be made in advance of an individual beginning or ceasing to occupy a qualifying position provided it specifies the date from which the change to which it relates is to be effective.
- 5** In this condition ‘qualified person’ has the same meaning as in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

¹ The schedules mentioned here will be attached to individual licences.

1.2 Personal licences

Licence condition 1.2.1

Specified management offices – personal management licences

All casino, bingo, general and pool betting, betting intermediary, gaming machine general, gaming machine technical, gambling software and lottery managers licences, except ancillary remote licences

- 1 Subject to **6** and **7** below, licensees must ensure:
 - a that each individual who occupies one of the management offices specified in 2 below in respect of the licensee or in connection with the licensed activities holds a personal licence authorising the performance of the functions of that office (hereafter ‘a personal management licence’); and
 - b that at least one person occupies at least one of those offices
- 2 The specified management offices are those offices (whether or not held by a director in the case of a licensee which is a company, a partner in the case of a licensee which is a partnership or an officer of the association in the case of a licensee which is an unincorporated association) the occupier of which is by virtue of the terms of their appointment responsible for:
 - a the overall management and direction of the licensee’s business or affairs
 - b the licensee’s finance function as head of that function
 - c the licensee’s gambling regulatory compliance function as head of that function
 - d the licensee’s marketing function as head of that function
 - e the licensee’s information technology function as head of that function in so far as it relates to gambling-related information technology and software
 - f oversight of the day to day management of the licensed activities at an identified number of premises licensed under Part 8 of the Act or across an identified geographical area
 - g in the case of casino and bingo licences only, oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.
- 3 The person responsible for the licensee’s gambling regulatory compliance function as head of that function shall not, except with the Commission’s express approval, occupy any other specified management office.
- 4 Licensees must take all reasonable steps to ensure that anything done in the performance of the functions of a specified management office is done in accordance with the terms and conditions of the holder’s personal management licence.
- 5 Where an individual is authorised by a personal licence and that licence comes under review under section 116(2) of the Act, the operating licensee must comply with any conditions subsequently imposed on that licence by the Commission about redeployment, supervision, or monitoring of the individual’s work and any requirements of the Commission in respect of such matters applicable during the period of the review.
- 6 Paragraphs **1** to **5** above shall not apply to a licensee for so long as the licensee is a ‘small-scale operator’ as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006 (‘the Regulations’).
- 7 During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs **1** to **6** above shall apply subject to the proviso that the phrase ‘each individual’ in paragraph **1a** shall not include any individual who was a ‘qualified person’ (as defined in the Regulations) in relation to the licensee 28 days immediately prior to the licensee ceasing to be a small-scale operator.

Licence condition 1.2.3

Specified management offices – lottery personal management licences

All lottery operating licences issued to non-commercial societies and local authorities

- 1** Subject to **5** below, licensees must ensure that the individual who occupies the management office specified in **2** below in or in respect of the licensee or in connection with the licensed activities holds a personal licence authorising the performance of the functions of that office (hereafter 'a personal management licence').
- 2** The specified management office is that director's post in the case of a licensee which is a company, that partner in the case of a licensee which is a partnership, or that office in a licensee which is an unincorporated association or local authority, the occupier of which has overall management responsibility for the promotion of the lottery.
- 3** Licensees must take all reasonable steps to ensure that anything done in the performance of the functions of a specified management office is done in accordance with the terms and conditions of the holder's personal management licence.
- 4** Where an individual is authorised by a personal licence and that licence comes under review under section 116(2) of the Act, the operating licensee must comply with any conditions subsequently imposed on that licence by the Commission about redeployment, supervision, or monitoring of the individual's work and any requirements of the Commission in respect of such matters applicable during the period of the review.
- 5** Paragraphs **1** to **4** above shall not apply to a licensee for so long as the licensee is a 'small-scale operator' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

2 Technical standards, equipment specification, remote gambling equipment and gambling software

2.3 Technical standards and equipment specifications

Licence condition 2.3.1

Technical standards

All non-remote gaming machine technical and gambling software licences and remote operating licences, including remote gaming machine technical, remote gambling software and betting ancillary remote licences, but not remote betting intermediary (trading rooms only) licences

- 1** Licensees must comply with the Commission's technical standards and with requirements set by the Commission relating to the timing and procedures for testing.

4 Protection of customer funds

4.1 Segregation of funds

Licence condition 4.1.1

Segregation of funds

All remote operating licences, except gaming machine technical, gambling software, host, ancillary remote bingo and ancillary remote casino licences

- 1** Licensees who hold customer funds must ensure that these are held in a separate client bank account or accounts.
- 2** In this condition 'customer funds' means the aggregate value of funds held to the credit of customers including, without limitation:
 - a** cleared funds deposited with the licensee by customers to provide stakes in, or to meet participation fees in respect of, future gambling,
 - b** winnings or prizes which the customer has chosen to leave on deposit with the licensee or for which the licensee has yet to account to the customer, and
 - c** any crystallised but as yet unpaid loyalty or other bonuses, in each case irrespective of whether the licensee is a party to the gambling contract.

4.2 Disclosure to customers

Licence condition 4.2.1

Disclosure to customers

All operating licences, except gaming machine technical, gambling software, host, ancillary, remote bingo, and ancillary remote casino licences

- 1** Licensees who hold customer funds must set out clearly in the terms and conditions under which they provide facilities for gambling information about whether customer funds are protected in the event of insolvency, the level of such protection and the method by which this is achieved.
- 2** Such information must be according to such rating system and in such form the Commission may from time to time specify. It must be provided in writing to each customer, in a manner which requires the customer to acknowledge receipt of the information and does not permit the customer to utilise the funds for gambling until they have done so, both on the first occasion on which the customer deposits funds and on the occasion of any subsequent deposit which is the first since a change in the licensee's terms in relation to protection of such funds.
- 3** In this condition 'customer funds' means the aggregate value of funds held to the credit of customers including, without limitation:
 - a** cleared funds deposited with the licensee by customers to provide stakes in, or to meet participation fees in respect of, future gambling;
 - b** winnings or prizes which the customer has chosen to leave on deposit with the licensee or for which the licensee has yet to account to the customer; and
 - c** any crystallised but as yet unpaid loyalty or other bonuses, in each case irrespective of whether the licensee is a party to the gambling contract.

5 Payment

5.1 Cash and cash equivalents, payment methods and services

Licence condition 5.1.1

Cash and cash equivalents

All operating licences except gaming machine technical, gambling software and host licences

- 1 Licensees, as part of their internal controls and financial accounting systems, must implement appropriate policies and procedures concerning the usage of cash and cash equivalents (eg bankers drafts, cheques and debit cards and digital currencies) by customers, designed to minimise the risk of crimes such as money laundering, to avoid the giving of illicit credit to customers and to provide assurance that gambling activities are being conducted in a manner which promotes the licensing objectives.
- 2 Licensees must ensure that such policies and procedures are implemented effectively, kept under review, and revised appropriately to ensure that they remain effective, and take into account any applicable learning or guidelines published by the Gambling Commission from time to time.

7 General 'fair and open provisions'

7.1 Fair and transparent terms and practices

Licence condition 7.1.1

Fair and transparent terms and practices

All operating licences except gaming machine technical and gambling software licences

- 1 Licensees must ensure that the terms on which gambling is offered, and any consumer notices relating to gambling activity, are not unfair within the meaning of the Consumer Rights Act 2015. Licensees must comply with those terms.
- 2 The contractual terms on which gambling is offered and any consumer notices relating to gambling activity must be transparent within the meaning of the Consumer Rights Act 2015. The contractual terms on which gambling is offered must be made available to customers in an easily accessible way.
- 3 Licensees must ensure that changes to customer contract terms comply with the fairness and transparency requirements under the Consumer Rights Act 2015. Customers must be notified of material changes to terms before they come into effect.
- 4 Licensees must ensure that they do not commit any unfair commercial practices within the meaning of the Consumer Protection from Unfair Trading Regulations 2008, at any stage of their interactions with consumers.

11 Lotteries

11.1 Lotteries – societies and local authorities

Licence condition 11.1.1

Lotteries – societies and local authorities

All lottery operating licences issued to non-commercial societies or local authorities

- 1 Licensees must ensure that at least 20% of the proceeds of any lottery promoted in reliance on the licence are applied to a purpose for which the promoting non-commercial society is conducted or the promoting local authority has power to incur expenditure.
- 2 The proceeds of any lottery promoted in reliance on this licence must not exceed £4,000,000 and the aggregate of the proceeds of lotteries promoted wholly or partly in a calendar year in reliance on the licence must not exceed £10,000,000.
- 3 The rules of any lottery promoted in reliance on this licence must be such as to ensure:
 - a that it is not possible for the purchaser of a ticket in the lottery to win by virtue of that ticket (whether in money, money's worth, or partly the one and partly the other and including any winnings arising from a rollover) more than:
 - i £25,000
 - ii if more, 10% of the proceeds of the lottery.
 - b that membership of the class among whom prizes are allocated does not depend on making any payment (apart from payment of the price of a ticket).
- 4 A lottery promoted in reliance on this licence must not be linked to any other lottery, free draw or prize competition.
- 5 For the purposes of this condition:
 - a two or more lotteries are linked if any of them is so structured that a person who wins a prize in that lottery will also win a prize in some or all of the others, unless the maximum amount which a person can win is no more than £400,000 in aggregate. In determining whether two or more lotteries are linked it is immaterial how many of them are promoted in reliance on this licence
 - b a lottery is linked to a free draw or prize competition if:
 - i a person's participation in, or his being allocated a prize in, the lottery is a means of establishing his eligibility to enter the draw or competition and
 - ii the arrangements for the lottery and/or the draw or competition are such that a person may win more than £400,000 in aggregate as a result of his participation in the lottery and the draw or competition.
- 6 If a lottery, whilst not a linked lottery, has the feature that by selecting the same numbers, or combination of numbers in the lottery and in one or more other lottery or lotteries the participant in those lotteries may win prizes which, in aggregate, exceed £400,000, no advertisement for, nor other marketing of, the lottery may make any reference to that feature.
- 7 Licensees must ensure that each person who purchases a ticket in a lottery promoted on behalf of a non-commercial society in reliance on this licence receives a document which:
 - a identifies the promoting society;
 - b states the name and address of a member of the society who is designated, by persons acting on behalf of the society, as having responsibility within the society for the promotion of the lottery; and
 - c either states the date of the draw (or each draw) in the lottery, or enables the date of the draw (or each draw) in the lottery to be determined.
- 8 Licensees must display 'licensed by the Gambling Commission' and details of the Gambling Commission website on lottery tickets.

- 9** The price payable for purchasing each ticket in a lottery promoted in reliance on this licence:
- a** must be the same;
 - b** must be shown on the ticket or in a document received by the purchaser; and
 - c** must be paid to the promoter of the lottery before any person is given a ticket or any right in respect of membership of the class among whom prizes are to be allocated.
- 10** For the purposes of these conditions, reference to a person receiving a document includes a reference to a message being sent or displayed to him electronically in a manner which enables him, without incurring significant expense or delay, to:
- a** retain the message electronically; or
 - b** print it.
- 11** Licensees must lodge with the Commission a description of, and a copy of the rules of, any lottery intended to be promoted in reliance on this licence, and any amendment to the rules of a lottery previously notified to the Commission, at least 28 days before any tickets in such lottery, or amended lottery, are put on sale.
- 12** Lottery tickets must not be sold to a person in any street. For these purposes 'street' includes any bridge, road, lane, footway, subway, square, court, alley or passage (including passages through enclosed premises such as shopping malls) whether a thoroughfare or not. But, by way of exception, tickets may be sold in a street from a static structure such as a kiosk or display stand. Tickets may also be sold door to door. Licensees must ensure that they have any necessary local authority permissions, such as a street trading licence.
- 13** Accurate accounting records must be kept in relation to all lotteries promoted in reliance on this licence showing:
- a** the total proceeds of each lottery;
 - b** the amount allocated to prizes in each lottery;
 - c** the amount of proceeds allocated to expenses, and details of those expenses, for each lottery;
 - d** the amount applied directly to the purposes of the society or purposes for which the local authority has power to incur expenditure as the case may be; and
 - e** the number of sold and unsold tickets in each lottery.
- 14** Such records must be made available to the Commission for inspection on request and retained for at least three years from the date of any lottery to which they relate.
- 15** In addition, in respect of each lottery promoted in reliance on this licence, a lottery submission must be sent to the Commission within three months of the date of determination of the lottery or, in the case of an 'instant lottery', within three months of the last date on which tickets in the lottery were on sale providing the information set out in paragraph **13** above. Every such submission must contain or be accompanied by a declaration that the information given in it is correct and must be shown to have been approved before submission by:
- a** the holder of a personal management licence
 - b** a 'qualified person' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006 or
 - c** except where the licensee is a local authority, the designated person named on the lottery tickets as having responsibility for the promotion of the lottery.
- 16** Where a society or local authority instructs an External Lottery Manager to make the submission on their behalf, they must ensure that the details on the submission are verified and approved by one of the people named above from the relevant society or local authority.
- 17** For any calendar year in which the cumulative proceeds of lotteries promoted in reliance on this licence exceed £1,000,000 the licensee must provide the Commission with written confirmation from a qualifying auditor confirming that the proceeds of those lotteries have been fully accounted for in their annual audited accounts. Such confirmation must be provided within ten months of the date to which the accounts are made up.
- 18** A qualifying auditor means a person who is eligible for appointment as a statutory auditor under section 1212 Companies Act 2006 or any statutory modification or re-enactment thereof but, in the case of a lottery promoted by or on behalf of a non-commercial society, is not:

- a** a member of the society
- b** a partner, officer or employee of such a member or
- c** a partnership of which a person falling within **a** or **b** is a partner.

11.2 Lotteries – managers

Licence condition 11.2.1

Lotteries - managers

All lottery operating licences issued to external lottery managers

- 1** Licensees must ensure that at least 20% of the proceeds of any lottery promoted in reliance on the licence are paid to the promoting non-commercial society or local authority to apply to a purpose for which the promoting society is conducted or the local authority has power to incur expenditure.
- 2** The proceeds of any lottery promoted in reliance on this licence must not exceed £4,000,000 and the aggregate of the proceeds of lotteries promoted wholly or partly in a calendar year on behalf of the same non-commercial society or local authority in reliance on the licence must not exceed £10,000,000.
- 3** The rules of any lottery promoted in reliance on this licence must be such as to ensure:
 - a** that it is not possible for the purchaser of a ticket in the lottery to win by virtue of that ticket (whether in money, money's worth, or partly the one and partly the other and including any winnings arising from a rollover) more than:
 - i** £25,000
 - ii** if more, 10% of the proceeds of the lottery
 - b** that membership of the class among whom prizes are allocated does not depend on making any payment (apart from payment of the price of a ticket).
- 4** A lottery promoted in reliance on this licence must not be linked to any other lottery, free draw or prize competition.
- 5** For the purposes of this condition:
 - a** two or more lotteries are linked if any of them is so structured that a person who wins a prize in that lottery will also win a prize in some or all of the others, unless the maximum amount which a person can win is no more than £400,000 in aggregate. In determining whether two or more lotteries are linked it is immaterial how many of them are promoted in reliance on this licence
 - b** a lottery is linked to a free draw or prize competition if:
 - i** a person's participation in, or his being allocated a prize in, the lottery is a means of establishing his eligibility to enter the draw or competition and
 - ii** the arrangements for the lottery and/or the draw or competition are such that a person may win more than £400,000 in aggregate as a result of his participation in the lottery and the draw or competition.
- 6** If a lottery, whilst not a linked lottery, has the feature that by selecting the same numbers, or combination of numbers in the lottery and in one or more other lottery or lotteries the participant in those lotteries may win prizes which, in aggregate, exceed £400,000, no advertisement for, nor other marketing of, the lottery may make any reference to that feature.
- 7** Licensees must ensure that each person who purchases a ticket in a lottery promoted in reliance on this licence on behalf of a non-commercial society, receives a document which:
 - a** identifies the promoting society
 - b** states the name and address of a member of the society who is designated, by persons acting on behalf of the society, as having responsibility within the society for the promotion of the lottery
 - c** either states the date of the draw (or each draw) in the lottery, or enables the date of the draw (or each draw) in the lottery to be determined.
- 8** Licensees must display 'licensed by the Gambling Commission' and details of the Gambling Commission website on lottery tickets.

- 9** The price payable for purchasing each ticket in a lottery promoted in reliance on this licence:

 - a** must be the same
 - b** must be shown on the ticket or in a document received by the purchaser
 - c** must be paid to the promoter of the lottery before any person is given a ticket or any right in respect of membership of the class among whom prizes are to be allocated.
- 10** For the purposes of these conditions, reference to a person receiving a document includes a reference to a message being sent or displayed to him electronically in a manner which enables him, without incurring significant expense or delay, to:

 - a** retain the message electronically or
 - b** print it.
- 11** Licensees must lodge with the Commission a description of, and a copy of the rules of, any lottery intended to be promoted in reliance on this licence, and any amendment to the rules of a lottery previously notified to the Commission, at least 28 days before any tickets in such lottery, or amended lottery, are put on sale.
- 12** Lottery tickets must not be sold to a person in any street. For these purposes 'street' includes any bridge, road, lane, footway, subway, square, court, alley or passage (including passages through enclosed premises such as shopping malls) whether a thoroughfare or not. But, by way of exception, tickets may be sold in a street from a static structure such as a kiosk or display stand. Tickets may also be sold door to door. Licensees must ensure that they have any necessary local authority permissions, such as a street trading licence.
- 13** Licensees must have arrangements in place to ensure separation between lottery proceeds they hold on behalf of non-commercial societies or local authorities and their own trading income and that such lottery proceeds are legally protected by means of separate bank accounts having trustee status or equivalent legal protection for each society or local authority in the event of the licensee's insolvency, in which event the proceeds will be paid to the society or local authority.
- 14** Licensees must ensure that following the determination of a lottery all lottery proceeds are properly allocated between prizes, expenses and profits and have procedures in place designed to ensure that lottery profits belonging to non-commercial societies or local authorities whose lotteries they manage in reliance on this licence are accounted for in a timely manner to the society or local authority.

12 Anti-money laundering

12.1 Prevention of money laundering and terrorist financing

Licence condition 12.1.1

Anti-money laundering

Prevention of money laundering and terrorist financing

All operating licences except gaming machine technical and gambling software licences

- 1 Licensees must conduct an assessment of the risks of their business being used for money laundering and terrorist financing. Such risk assessment must be appropriate and must be reviewed as necessary in the light of any changes of circumstances, including the introduction of new products or technology, new methods of payment by customers, changes in the customer demographic or any other material changes, and in any event reviewed at least annually.
- 2 Following completion of and having regard to the risk assessment, and any review of the assessment, licensees must ensure they have appropriate policies, procedures and controls to prevent money laundering and terrorist financing.
- 3 Licensees must ensure that such policies, procedures and controls are implemented effectively, kept under review, revised appropriately to ensure that they remain effective, and take into account any applicable learning or guidelines published by the Gambling Commission from time to time.

14 Access to premises

14.1 Access to premises

Licence condition 14.1.1

Access to premises

All operating licences

- 1 Licensees must have and put into effect policies and procedures (including staff training programmes) designed to ensure that their staff co-operate with the Commission's enforcement officers in the proper performance of their compliance functions and are made aware of those officers' rights of entry to premises contained in Part 15 of the Act.

15 Information requirements

15.1 Reporting suspicion of offences

Licence condition 15.1.1

Reporting suspicion of offences etc - non-betting licences

All operating licences except betting, betting intermediary, ancillary remote betting, betting host and remote betting intermediary (trading rooms only) licences

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure that the Commission is provided with any information that they know relates to or suspect may relate to the commission of an offence under the Act, including an offence resulting from a breach of a licence condition or a code provision having the effect of a licence condition.

15.2 Reporting key events and other reportable events

Licence condition 15.2.1

Reporting key events

All operating licences

A key event is an event that could have a significant impact on the nature or structure of a licensee's business. Licensees must notify the Commission, or ensure the Commission is notified, in such form or manner as the Commission may from time to time specify, of the occurrence of any of the following key events as soon as reasonably practicable and in any event within five working days of the licensee becoming aware of the event's occurrence¹.

Operator status

- 1 In the case of licensees which are companies, a petition being presented for their winding up or the winding up of any group company of theirs, or they or any group company being placed in administration or receivership or their directors proposing to creditors a composition in satisfaction of its debts or a scheme of arrangement of its affairs.
- 2 In the case of licensees which are bodies corporate, but not companies, any event substantially equivalent to those listed at 1 above.
- 3 In the case of a licensee who is an individual (or a partner in a partnership licensee) their being presented with a petition for their bankruptcy or sequestration or their entering into an individual voluntary arrangement.

Relevant persons and positions

- 4 In the case of licensees who are companies or other bodies corporate having a share capital, the name and address of any person who (whether or not already a shareholder or member) becomes a shareholder or member holding 3% or more of the issued share capital of the licensee or its holding company.
- 5 Any investment in a licensee which is not by way of subscription for shares.
- 6 The taking of any loan by the licensee, or by a group company who then makes an equivalent loan to the licensee, from any person not authorised by the Financial Conduct Authority: a copy of the loan agreement must be supplied.
- 7 The entering into an arrangement whereby a third party provides services to, or grants any licence concession or permission to, the licensee other than for full value: full details of the arrangements must be supplied.
- 8 The appointment of a person to, or a person ceasing to occupy, a 'key position': a 'key position' in relation to a licensee is:
 - a in the case of a small-scale operator, a 'qualifying position' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006
 - b in the case of an operator which is not a small-scale operator, a 'specified management office' as set out in (current) LCCP licence condition 1.2
 - c a position the holder of which is responsible for the licensee's anti-money laundering procedures, including suspicious activity reporting
 - d any other position for the time being designated by the Commission as a 'key position'. (Notification is required whether or not the person concerned is required to hold a personal management licence and whether or not the event notified requires the licensee to apply for a variation to amend a detail of their licence.)
- 9 Any change to the structure or organisation of the licensee's business which affects a 'key position' or the responsibilities of its holder.

Financial events

- 10 Any material change in the licensee's banking arrangements, in particular the termination of such arrangements or a particular facility and whether by the licensee or the provider of the arrangements.
- 11 Any breach of a covenant given to a bank or other lender.
- 12 Any default by the licensee or, where the licensee is a body corporate, by a group company in making repayment of the whole or any part of a loan on its due date.
- 13 Any court judgments (in whatever jurisdiction) against the licensee or, where the licensee is a body corporate, a group company, remaining unpaid 14 days after the date of judgment.
- 14 Where the licensee is required to have their accounts independently audited, any qualification to an auditors' report; and any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an unqualified audit report.
- 15 Any change in the licensee's arrangements for the protection of customer funds in accordance with the general licence condition 4 relating to the protection of customer funds (where applicable).
- 16 Where the licensee holds customer funds in a separate bank account, any deficit on reconciliation of such bank account.
- 17 Any change in the licensee's arrangements as to the methods by which, and/or the payment processors through which, the licensee accepts payment from customers using their gambling facilities (this key event applies to remote casino, bingo and betting operating licences, except ancillary and remote betting intermediary (trading room only) licences).

Legal or regulatory proceedings or reports

- 18 The grant, withdrawal or refusal of any application for a licence or other permission made by the licensee, or in the case of a licensee which is a body corporate, any group company of theirs, to a gambling regulator in another jurisdiction. In the case of a withdrawal or refusal of the application, the licensee must also notify the reasons for such withdrawal or refusal. (This condition does not apply to applications for licences or other permissions to carry on activities which would fall outside the scope of a Gambling Commission operating licence if carried out in Britain or with customers in Great Britain.)
- 19a Any investigation by a professional, statutory, regulatory or government body (in whatever jurisdiction) into the licensee's activities, or the activities in relation to the licensed entity of a personal licence holder or a person occupying a qualifying position employed by them, where such an investigation could result in the imposition of a sanction or penalty which, if imposed, could reasonably be expected to raise doubts about the licensee's continued suitability to hold a Gambling Commission licence.
- 19b Any criminal investigation by a law enforcement agency in any jurisdiction in relation to which:
 - the licensee is involved (including, but not limited to investigations of crimes allegedly committed against the licensee or involving the gambling facilities provided under the licence), AND
 - the circumstances are such that the Commission might reasonably be expected to question whether the licensee's measures to keep crime out of gambling had failed.Notification of the event must occur as soon as practicable after the licensee becomes aware of any such investigation in which the licensee is involved and measures may have failed.
- 20 The receipt of any report from a professional, statutory or other regulatory or government body (in whatever jurisdiction) of the outcome of a compliance assessment in relation to the gambling activity of the licensee or, where the licensee is a body corporate, of any group company in which at least one person who holds a key position in or in respect of the licensee holds a key position: a copy of the report should be provided where available to the licensee.

- 21** The referral to the licensee's Board, or persons performing the function of an audit or risk committee, of material concerns raised by a third party (such as an auditor) about the provision of facilities for gambling which are expressed (in whatever terms) as requiring attention as a high priority: a summary of the nature of the concerns must be provided.
- 22** The imposition by the licensee of a disciplinary sanction, including dismissal, against the holder of a personal licence or a person occupying a qualifying position for gross misconduct; or the resignation of a personal licence holder or person occupying a qualifying position following commencement of disciplinary proceedings in respect of gross misconduct against that person.
- 23** The commencement (in whatever jurisdiction) of any material litigation against the licensee or, where the licensee is a body corporate, a group company: the licensee must also notify the outcome of such litigation.
- 24** The making of a disclosure pursuant to section 330, 331, 332 or 338 of the Proceeds of Crime Act 2002 or section 19, 20, 21, 21ZA, 21ZB or 21A of the Terrorism Act 2000 (a suspicious activity report): the licensee should inform the Commission of the unique reference number issued by the United Kingdom Financial Intelligence Unit of the National Crime Agency in respect of each disclosure and for the purposes of this key event the five working day period referred to above runs from the licensee's receipt of the unique reference number. The licensee should also indicate whether the customer relationship has been discontinued at the time of the submission.

Gambling facilities

- 25a** Any breach in the licensee's information security that adversely affects the confidentiality of customer data or prevents customers from accessing their accounts for longer than 24 hours.
- 25b** Where a gaming system fault has resulted in under or overpayments to a player (this includes instances where a fault causes an incorrect prize/win value to be displayed).
- 26** Any change in the identity of the ADR entity or entities for the handling of customer disputes, as required by the social responsibility code provision on complaints and disputes.
- 27** The reference of a dispute to an ADR entity other than one in respect of which contact details were given in accordance with the social responsibility code provision on complaints and disputes; the reason for selection of that ADR entity should be given.
- 28** In the case of remote gambling, the commencement or cessation of trading on website domains (including mobile sites or mobile device applications) or broadcast media through which the licensee provides gambling facilities. In this condition: 'body corporate' has the meaning ascribed to that term by section 1173 of the Companies Act 2006 or any statutory modification or re-enactment thereof a. in respect of a company, 'holding company' and 'subsidiary' have the meaning ascribed to that term by section 1159 of the Companies Act 2006 or any statutory modification or re-enactment thereof b. a 'group company' is any subsidiary or holding company of the licensee and any subsidiary of such holding company.

¹ Key events can be reported securely online at the Commission's website through our eServices system www.gamblingcommission.gov.uk Alternatively, for operators unable to access this system, you can report a key event by email to: key.events@gamblingcommission.gov.uk

Licence condition 15.2.2
Other reportable events
All operating licences

- 1 Licensees must also notify the Commission in such form or manner as the Commission may from time to time specify, or ensure that the Commission is so notified, as soon as reasonably practicable of the occurrence of any of the following events¹:
 - a the conclusion of a dispute referred to an ADR entity and in such case providing the Commission with a copy of the decision or note of the outcome².
 - b any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.
 - c their becoming aware that a group company which is not a Commission licensee is advertising remote gambling facilities to those residing in a jurisdiction in or to which it has not previously advertised or their becoming aware of a sustained or meaningful generation of the 3% / 10% threshold being exceeded by the group.

In this condition:

- a 'group company' has the same meaning as in condition 15.2.1; and
- b without prejudice to section 327 of the Act, 'advertising' includes: having a home page directed towards a jurisdiction and written in, or in one of, that jurisdiction's official language(s), having arrangements enabling that jurisdiction's currency to be selected for gambling or the use of payment methods available only in that jurisdiction, and providing a specific customer service facility referable to that jurisdiction.

¹ Events required to be notified to the Commission by 15.2.1 or 15.2.2 may be reported securely online at the Commission's website through our eServices system www.gamblingcommission.gov.uk or by email to: key.events@gamblingcommission.gov.uk

² In respect of the referral of disputes to an ADR entity the licensee's attention is drawn to social responsibility code provision 6.

15.3 General and regulatory returns

Licence condition 15.3.1
General and regulatory returns
All operating licences

- 1 On request, licensees must provide the Commission with such information as the Commission may require about the use made of facilities provided in accordance with this licence, and the manner in which gambling authorised by this licence and the licensee's business in relation to that gambling are carried on, including in particular information about:
 - a the numbers of people making use of the facilities and the frequency of such use
 - b the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them
 - c the licensee's policies in relation to, and experiences of, problem gambling.
- 2 In particular within 28 days of the end of each quarterly period or, for those only submitting annual returns, within 42 days of the end of each annual period, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require¹.

¹ Regulatory returns can be submitted securely online at the Commission's website through our eServices system available at www.gamblingcommission.gov.uk

16 Responsible placement of digital adverts

16.1 Responsible placement of digital adverts

Licence condition 16.1.1

Responsible placement of digital adverts

All licences

- 1 Licences must:
 - a Ensure that they do not place digital advertisements on websites providing unauthorised access to copyrighted content;
 - b take all reasonable steps to ensure that third parties with whom they contract for the provision of any aspect of their business related to the licensed activities do not place digital advertisements on websites providing unauthorised access to copyrighted content; and
 - c ensure that the terms upon which they contract with such third parties enable them, subject to compliance with any dispute resolution provisions, to terminate the third party's contract promptly if, in the Licensee's reasonable opinion, the third party has been responsible for placing digital advertisements for the licensed activities on such websites.

17 Customer identity verification

17.1 Customer identity verification

Licence condition 17.1.1

Customer identity verification

All remote licences (including ancillary remote betting licences in respect of bets made or accepted by telephone or email), except any lottery licence the holder of which only provides facilities for participation in low frequency² or subscription lotteries, gaming machine technical, gambling software, host, ancillary remote casino, and ancillary remote bingo.

- 1 Licensees must obtain and verify information in order to establish the identity of a customer before that customer is permitted to gamble. Information must include, but is not restricted to, the customer's name, address and date of birth.
- 2 A request made by a customer to withdraw funds from their account must not result in a requirement for additional information to be supplied as a condition of withdrawal if the licensee could have reasonably requested that information earlier. This requirement does not prevent a licensee from seeking information on the customer which they must obtain at that time due to any other legal obligation.
- 3 Before permitting a customer to deposit funds, licensees should inform customers what types of identity documents or other information the licensee may need the customer to provide, the circumstances in which such information might be required, and the form and manner in which such information should be provided.
- 4 Licensees must take reasonable steps to ensure that the information they hold on a customer's identity remains accurate.

² A 'low frequency lottery' is one of a series of separate lotteries promoted on behalf of the same non-commercial society or local authority, or as part of the same multiple society lottery scheme, in respect of which there is a period of at least two days between each lottery draw.

Part II: Code of practice

Introduction

This is the Commission's principal code of practice, issued under section 24 of the Gambling Act 2005.

There are two types of code provisions in this document:

- social responsibility code provisions: compliance with these is a condition of licences; therefore any breach of them by an operator may lead the Commission to review the operator's licence with a view to suspension, revocation or the imposition of a financial penalty and would also expose the operator to the risk of prosecution; these provisions are set out in shaded boxes
- ordinary code provisions: these do not have the status of operator licence conditions but set out good practice. Operators may adopt alternative approaches to those set out in ordinary code provisions if they have actively taken account of the ordinary code provision and can demonstrate that an alternative approach is reasonable in the operator's particular circumstances; or that to take an alternative approach would be acting in a similarly effective manner. Ordinary codes of practice are admissible in evidence in criminal or civil proceedings and must be taken into account in any case in which the court or tribunal think them relevant, and by the Commission in the exercise of its functions; any departure from ordinary code provisions by an operator may be taken into account by the Commission on a licence review, but cannot lead to imposition of a financial penalty; these code provisions are in the unshaded boxes in this section.

Code provisions

1 General

1.1 Cooperation and responsibility for third parties

Ordinary Code Provision 1.1.1

Cooperation with the Commission

All licences

- 1 As made plain in its *Statement of principles for licensing and regulation*, the Commission expects licensees to conduct their gambling operations in a way that does not put the licensing objectives at risk, to work with the Commission in an open and cooperative way and to disclose anything which the Commission would reasonably need to be aware of in exercising its regulatory functions. This includes, in particular, anything that is likely to have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly. Licensees should have this principle in mind in their approach to, and when considering their compliance with, their obligations under the conditions attached to their licence and in relation to the following provisions of this code.

Social responsibility code provision 1.1.2

Responsibility for third parties – all licences

All licences

- 1 Licensees are responsible for the actions of third parties with whom they contract for the provision of any aspect of the licensee's business related to the licensed activities.
- 2 Licensees must ensure that the terms on which they contract with such third parties:
 - a require the third party to conduct themselves in so far as they carry out activities on behalf of the licensee as if they were bound by the same licence conditions and subject to the same codes of practice as the licensee
 - b oblige the third party to provide such information to the licensee as they may reasonably require in order to enable the licensee to comply with their information reporting and other obligations to the Commission
 - c enable the licensee, subject to compliance with any dispute resolution provisions of such contract, to terminate the third party's contract promptly if, in the licensee's reasonable opinion, the third party is in breach of contract (including in particular terms included pursuant to this code provision) or has otherwise acted in a manner which is inconsistent with the licensing objectives, including for affiliates where they have breached a relevant advertising code of practice.

Social responsibility code provision 1.1.3

Responsibility for third parties - remote

All remote licences

- 1 Remote licensees must ensure in particular:
 - a that third parties who provide user interfaces enabling customers to access their remote gambling facilities:
 - i include a term that any such user interface complies with the Commission's technical standards for remote gambling systems; and
 - ii enable them, subject to compliance with any dispute resolution provisions of such contract, to terminate the third party's contract promptly if, in the licensee's reasonable opinion, the third party is in breach of that term.

2 Financial requirements

2.1 Anti-money laundering

Ordinary code provision 2.1.2

Anti-money laundering – other than casino

All licences except casino licences

- 1 As part of their procedures for compliance with the requirements in respect to the prevention and detection of money laundering in the Proceeds of Crime Act 2002 and the Terrorism Act 2000, licensees should take into account the Commission's advice on the Proceeds of Crime Act 2002, *Duties and responsibilities under the Proceeds of Crime Act 2002 – Advice for operators (excluding casino operators)*.

3 Protection of children and other vulnerable persons

3.1 Combating problem gambling

Social responsibility code provision 3.1.1

Combating problem gambling

All licences

- 1 Licensees must have and put into effect policies and procedures intended to promote socially responsible gambling including the specific policies and procedures required by the provisions of section 3 of this code.
- 2 Licensees must make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling.

3.2 Access to gambling by children and young persons

Ordinary code provision 3.2.12

Access to gambling by children and young persons – remote ordinary code

All remote licences (including ancillary remote betting licences), except gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino and remote betting intermediary (trading rooms only) licences

- 1 Licensees should, and should request their contracted partners to, draw attention to parental responsibility as part of the purchasing process of facilities such as mobile phones and interactive television.

Social responsibility code provision 3.2.13

Access to gambling by children and young persons – remote lottery SR code

All remote lottery licences

- 1 Licensees must have and put into effect policies and procedures designed to prevent underage gambling and monitor the effectiveness of these.
- 2 Such procedures must include:
 - a warning potential customers that underage gambling is an offence;
 - b requiring customers to affirm that they are of legal age;
 - c regularly reviewing their age verification systems and implementing all reasonable improvements that may be made as technology advances and as information improves;
 - d ensuring that relevant staff are properly trained in the use of their age verification procedures; in particular anyone who sells lottery tickets including canvassers and customer services staff must be appropriately trained in the use of secondary forms of identification when initial verifications procedures fail to prove that an individual is of legal age;
 - e enabling their gambling websites to permit filtering software to be used by adults (such as parents or within schools) in order to restrict access to relevant pages of those sites;
 - f the following age verification procedures:
 - i in the case of both subscription lotteries and low frequency lotteries¹, and provided it is clear in the terms and conditions that those under the age of 16 are not permitted to participate and that the prizes will not be paid out to those found to be under 16, customers must be required to verify their age before being able to make any subscription or purchase entry into the lottery. (The licensee is expected to conduct a programme of random checks of users who self-verify for compliance with age restrictions);
 - ii in every other case, licensees must verify the age of a customer before the customer is able to:
 - a access any free-to-play versions of lotteries (for example instant win or digital scratchcard lotteries) that the licensee may make available; or
 - b in any case, participate in a lottery.

¹A 'low frequency lottery' is one of a series of separate lotteries promoted on behalf of the same noncommercial society or local authority, or as part of the same multiple society lottery scheme, in respect of which there is a period of at least two days between each lottery draw

Ordinary code provision 3.2.14

Access to gambling by children and young persons – remote lottery ordinary code All remote society lottery licences

- 1 Where operators consider the lottery will be more likely to attract underage play – eg where the prize is of particular appeal to children (those under the age of 16) such as concert tickets, games consoles, large prizes - operators should ensure that age verification measures are appropriate to the risk of attempted underage play. In these circumstances it is unlikely that self-verification alone will be sufficient.

3.3 Gambling management tools and responsible gambling management information

Social responsibility code provision 3.3.1

Responsible gambling information

All licences, except gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino and remote betting (remote platform) licences

- 1 Licensees must make information readily available to their customers on how to gamble responsibly and how to access information about, and help in respect of, problem gambling.
- 2 The information must cover:
 - a any measures provided by the licensee to help individuals monitor or control their gambling, such as restricting the duration of a gambling session or the amount of money they can spend
 - b timers or other forms of reminders or ‘reality checks’ where available
 - c self-exclusion options
 - d information about the availability of further help or advice.
- 3 The information must be directed to all customers whether or not licensees also make available material which is directed specifically at customers who may be ‘problem gamblers’.
- 4 For gambling premises, information must be available in all areas where gambling facilities are provided and adjacent to ATMs. Information must be displayed prominently using methods appropriate to the size and layout of the premises. These methods may include the use of posters, the provision of information on gambling products, or the use of screens or other facilities in the gambling premises. Information must also be available in a form that may be taken away and may also be made available through the use of links to be accessed online or using smart technology. Licensees must take all reasonable steps to ensure that this information is also readily accessible in locations which enable the customer to obtain it discreetly.

Ordinary code provision 3.3.2

Responsible gambling information – foreign languages

All licences, except gaming machine technical, gambling software, host, ancillary remote bingo and ancillary remote casino licences

- 1** Licensees who market their services in one or more foreign languages should make available in that, or those, foreign languages:
 - a** the information on how to gamble responsibly and access to help referred to above
 - b** the players' guides to any game, bet or lottery required to be made available to customers under provisions in this code
 - c** the summary of the contractual terms on which gambling is offered, which is required to be provided to customers as a condition of the licensee's operating licence.

Social responsibility code provision 3.3.4

Remote time-out facility

All remote licences except: any remote lottery licence the holder of which does not provide facilities for participation in instant win lotteries, ancillary remote betting licences, remote betting (remote platform), gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino and remote betting intermediary (trading room only) licences

- 1** Licensees must offer a 'time out' facility for customers for the following durations:
 - a** 24 hours
 - b** one week
 - c** one month or
 - d** such other period as the customer may reasonably request, up to a maximum of 6 weeks

3.4 Customer interaction

Social responsibility code provision 3.4.1

Customer interaction – SR code

All licences, except non-remote lottery, gaming machine technical, gambling software and host licences

- 1** Licensees must put into effect policies and procedures for customer interaction where they have concerns that a customer's behaviour may indicate problem gambling. The policies must include:
 - a** identification of the appropriate level of management who may initiate customer interaction and the procedures for doing so
 - b** the types of behaviour that will be logged/reported to the appropriate level of staff and which may trigger customer interaction at an appropriate moment
 - c** the circumstances in which consideration should be given to refusing service to customers and/or barring them from the operator's gambling premises
 - d** training for all staff on their respective responsibilities, in particular so that they know who is designated to deal with problem gambling issues
 - e** specific provision for making use of all relevant sources of information to ensure effective decision making, and to guide and deliver effective customer interactions, including in particular:
 - i** provision to identify at risk customers who may not be displaying obvious signs of, or overt behaviour associated with, problem gambling: this should be by reference to indicators such as time or money spent
 - ii** specific provision in relation to customers designated by the licensee as 'high value', 'VIP' or equivalent
 - f** specific provision for interacting with customers demonstrating signs of agitation, distress, intimidation, aggression or other behaviours that may inhibit customer interaction
- 3** For gambling premises, licensees must ensure that their policies and procedures take account of the structure and layout of the gambling premises.
- 4** But such policies and procedures must be consistent with, and implemented with due regard to, licensees' duties in respect of the health and safety of their staff.

Ordinary code provision 3.4.2

Customer interaction – ordinary code

All licences except non-remote lottery, gaming machine technical, gambling software and host licences

- 1** Operators should work together to share experience and deliver good practice across the full range of social responsibility requirements for customer interaction.
- 2** Operators should keep a record of customer interactions, and where an interaction has been ruled out, the reasons for this. Where an interaction has taken place at a later date, this should also be recorded.
- 3** In providing training to staff on their responsibilities for customer interaction, licensees should have, as a minimum, policies for induction training and refresher training.

Social responsibility code provision 3.4.3

Customer interaction – lotteries SR code

All lottery licences

- 1** Licensees who are non-commercial societies or external lottery managers must:
 - a** set an upper limit on the value of lottery tickets which may be sold to a person, whether as part of a single transaction or over a period of time, without customer interaction;
 - b** maintain records of all instances of customer interaction pursuant to (a) above and, in each case, whether purchase of tickets beyond the limits set was then permitted; and
 - c** ensure such records are made available to the Commission for inspection on request and retained for at least three years from the date of any lottery to which they relate.

3.5 Self-exclusion

Social responsibility code 3.5.3

Self-exclusion – remote SR code

All remote licences except: gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino, betting intermediary (trading room only) and remote betting (standard) (remote platform) licences

Paragraph 8 does not apply to ancillary remote betting licences, remote general betting (limited), or any remote lottery licence the holder of which does not provide facilities for participation in instant win lotteries

- 1 Licensees must have and put into effect procedures for self-exclusion and take all reasonable steps to refuse service or to otherwise prevent an individual who has entered a self-exclusion agreement from participating in gambling.
- 2 Licensees must, as soon as practicable, take all reasonable steps to prevent any marketing material being sent to a self-excluded customer.
- 3 Licensees must take steps to remove the name and details of a self-excluded individual from any marketing databases used by the company or group (or otherwise flag that person as an individual to whom marketing material must not be sent), within two days of receiving the completed self-exclusion notification.
- 4 This covers any marketing material relating to gambling. However, it would not extend to blanket marketing which is targeted at a particular geographical area and where the excluded individual would not knowingly be included.
- 5 Licensees must close any customer accounts of an individual who has entered a self-exclusion agreement and return any funds held in the customer account. It is not sufficient merely to prevent an individual from withdrawing funds from their customer account whilst still accepting wagers from them. Where the giving of credit is permitted, the licensee may retain details of the amount owed to them by the individual, although the account must not be active.
- 6 Licensees must put into effect procedures designed to ensure that an individual who has self-excluded cannot gain access to gambling. These procedures must include:
 - a a register of those excluded with appropriate records (name, address, other details, and any membership or account details that may be held by the operator);
 - b a record of the card numbers to be excluded;
 - c staff training to ensure that staff are able to administer effectively the systems; and
 - d the removal of access from those persons found to have gambled or who have attempted to gamble on the facilities.
- 7 Licensees must when administering the self-exclusion signpost the individual to counselling and support services.
- 8 Customers must be given the opportunity to self-exclude by contacting customer services and in addition by entering an automated process using remote communication. In order to avoid inadvertent self-exclusion it is acceptable for an automated process to include an additional step that requires the customer to confirm that they wish to self-exclude. The licensee must ensure that all staff who are involved in direct customer service are aware of the self-exclusion system in place, and are able to direct that individual to an immediate point of contact with whom/which to complete that process.

Ordinary code provision 3.5.4

Self-exclusion – remote ordinary code

All remote licences (including ancillary remote betting licences), except gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino, remote betting intermediary (trading rooms only) and remote betting (standard) (remote platform) licences

- 1 Self-exclusion procedures should require individuals to take positive action in order to self-exclude:
 - a over the **internet**; this can be a box that must be ticked in order to indicate that they understand the system
 - b by **telephone**; this can be a direct question asking whether they understand the system.
- 2 Before an individual self-excludes, licensees should provide or make available sufficient information about what the consequences of self-exclusion are.
- 3 Licensees should encourage the customer to consider extending their self-exclusion to other remote gambling operators currently used by the customer.
- 4 Within the licensee's information about self-exclusion policies, the licensee should provide a statement to explain that software is available to prevent an individual computer from accessing gambling internet sites. The licensee should provide a link to a site where further information is available.
- 5 Licensees should take all reasonable steps to ensure that:
 - a the minimum self-exclusion period offered is of a duration of not less than 6 nor more than 12 months;
 - b any self-exclusion may, on request, be extended for one or more further periods of at least 6 months;
 - c the self-exclusion arrangements give customers the option of selecting a self-exclusion period of up to at least five years;
 - d a customer who has decided to enter a self-exclusion agreement is given the opportunity to do so immediately without any cooling-off period. However, if the customer wishes to consider the self-exclusion further (for example to discuss with problem gambling groups) the customer may return at a later date to enter into self-exclusion;
 - e at the end of the period chosen by the customer, self-exclusion remains in place, for a minimum of 7 years, unless the customer takes positive action to gamble again;
 - f where a customer chooses not to renew, and makes a positive request to begin gambling again, during the 7 year period following the end of their initial self-exclusion, the customer is given one day to cool off before being allowed to access gambling facilities. Contact must be made via phone or in person; re-registering online is not sufficient; and
 - g notwithstanding the expiry of the period of self-exclusion chosen by a customer, no marketing material should be sent to them unless and until they have asked for or agreed to accept such material.
- 6 The licensee should retain the records relating to a self-exclusion agreement for as long as is needed to enable the self-exclusion procedures set out in paragraph 5 above to be implemented.
- 7 Please note that the Commission does not require the licensee to carry out any particular assessment or make any judgement as to whether the previously self-excluded individual should again be permitted access to gambling. The requirement to take positive action in person or over the phone is purely to a) check that the customer has considered the decision to access gambling again and allow them to consider the implications; and b) implement the one day cooling-off period and explain why this has been put in place.
- 8 In providing training to staff on their responsibilities for self-exclusion, licensees should have, as a minimum, policies for induction training and refresher training.

Social responsibility code provision 3.5.5

Self-exclusion – remote multi-operator SR code

All remote licences except: any remote lottery licence the holder of which does not provide facilities for participation in instant win lotteries, ancillary remote betting, remote general betting (remote platform), remote betting intermediary (trading room only), remote general betting (limited), gaming machine technical, gambling software, host, ancillary remote bingo, and ancillary remote casino licences

This provision will come into force one month after notification by the Commission of the establishment of a national online multi-operator self-exclusion scheme

- 1 Licensees must participate in the national multi-operator self-exclusion scheme.

3.6 Employment of children and young persons

Ordinary code provision 3.6.1

Employment of children and young people – lottery and pool betting

All lottery licences and pool betting licences restricted to football pools

- 1 Licensees who employ young persons (16 and 17 year olds) to sell tickets, collect payments or pay out winnings should have and put into effect policies and procedures designed to ensure that all staff, including staff who are young persons themselves, are made aware that the law prohibits underage gambling, and that tickets may only be sold to persons aged 16 or over.

3.7 Provision of credit by licensees and the use of credit cards

Social responsibility code provision 3.7.1

Credit cards

All non-remote general betting licences (except where betting is offered under a 2005 Act casino premises licence), pool betting, betting intermediary and all remote licences, except gaming machine technical, gambling software, host, ancillary remote casino, ancillary remote bingo and remote betting intermediary (trading rooms only) licences

- 1 Licensees who choose to accept credit cards must:
 - a accept payment by credit card for gambling only where that payment is made to a customer account
 - b make available for gambling, funds deposited via credit card only after the card issuer has approved the transaction.

Social responsibility code provision 3.7.2

Provision of credit

All non-remote general betting licences (except where betting is offered under a 2005 Act casino premises licence), pool betting licences and all remote licences (including ancillary remote betting licences), except gaming machine technical, gambling software, host, ancillary remote casino, ancillary remote bingo and remote betting intermediary (trading rooms only) licences

- 1** Licensees who choose to offer credit to members of the public who are not themselves gambling operators must also:
 - a** have procedures for checking and scoring applications for credit from such customers, for setting, and for the increase of, credit limits
 - b** explain these procedures to customers
 - c** set a maximum credit limit for each customer and not permit customers to exceed that limit without further application
 - d** apply a 24-hour delay between receiving a request for an increase in a credit limit and granting it in those cases where the limit exceeds that which the operator previously set
 - e** not require a minimum spend within a set time period
 - f** take all reasonable steps to ensure that offers of credit are not sent to vulnerable persons, including those who have self-excluded from gambling
 - g** ensure that information about an offer of credit includes a risk warning of what may happen in the event of default.

3.9 Identification of individual customers

Social responsibility code 3.9.1

Identification of individual customers - remote

All remote licences (including ancillary remote betting licences)

except gaming machine technical, gambling software, host, ancillary remote bingo, ancillary remote casino and remote betting intermediary (trading rooms only) licences

- 1 Licensees must have and put into effect policies and procedures designed to identify separate accounts which are held by the same individual.
- 2 Where licensees allow customers to hold more than one account with them, the licensee must have and put into effect procedures which enable them to relate each of a customer's such accounts to each of the others and ensure that:
 - a if a customer opts to self-exclude they are effectively excluded from all gambling with the licensee unless they make it clear that their request relates only to some forms of gambling or gambling using only some of the accounts they hold with the licensee;
 - b all of a customer's accounts are monitored and decisions that trigger customer interaction are based on the observed behaviour and transactions across all the accounts;
 - c where credit is offered or allowed the maximum credit limit is applied on an aggregate basis across all accounts; and
 - d individual financial limits can be implemented across all of a customer's accounts.
- 3 Licensees which are companies or other bodies corporate must take all reasonable steps to comply with the above provision as if reference to a customer holding more than one account with them included a reference to a customer holding one or more accounts with them and one or more accounts with a group company.
- 4 A company is a 'group company' in relation to a licensee if it is the holding company of, subsidiary of, or shares a common holding company with, the licensee. For these purposes 'holding company' and 'subsidiary' have the meanings ascribed to them by section 1159 of the Companies Act 2006 or any statutory modification or re-enactment thereof.

4 'Fair and open' provisions

4.1 Fair terms

Social responsibility code provision 4.1.1

Fair terms

All licences, except gaming machine technical and gambling software licences

- 1 Licensees must be able to provide evidence to the Commission, if required, showing how they satisfied themselves that their terms are not unfair.

4.2 Display of rules and supervision of games

Social responsibility code provision 4.2.3

Display of rules – remote SR code

All remote licences (including ancillary remote betting licences), except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino and remote betting intermediary (trading rooms only) licences

- 1 Licensees must make the following available to customers:
 - a a player's guide to each gambling opportunity (bet, game or lottery) made available by the operator; and
 - b such additional information relating to the available gambling as the Commission shall from time to time publish to licensees: the current requirements are set out in the Commission's *Remote gambling and software technical standards*.

Ordinary code provision 4.2.4

Display of rules - remote ordinary code

All remote licences (including ancillary remote betting licences), except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino and remote betting intermediary (trading rooms only) licences

- 1 Where practicable, the player's guide and additional information referred to in the social responsibility code 4.2.3 should be made available through the medium in which the remote gambling is to be conducted. Where that is not practicable, licensees should either:
 - a send a copy of the guide and required additional information by post, fax or email; or
 - b make these available to the customer in another medium to which he has access.

4.3 Additional consumer information

Social responsibility code provision 4.3.1

Publication of percentage of lottery proceeds returned to the purposes of the society or local authority

All lottery operating licences issued to non-commercial societies and local authorities

- 1 Each year, licensees must publish details on the percentage of the total proceeds of lotteries promoted in the previous calendar year in reliance on this licence applied to purposes for which the society is conducted, or purposes for which the local authority has power to incur expenditure. This should be through either their annual report, lottery page of their society website or any other means appropriate to the size and scale of the organisation.

Social responsibility code provision 4.3.2

Marketing of all lotteries conducted under a single brand (branded lotteries)

All lottery operating licences issued to non-commercial societies, local authorities and external lottery managers

- 1 Where a number of society lotteries are promoted under one brand (also known as a branded lottery¹), whether with an ELM or not, licensees must ensure that it is clear to consumers (or potential consumers), which society lotteries are being promoted.
- 2 The requirement in (1) must be made clear to consumers within any marketing communications, advertisements, promotions or any information surrounding the draw, winners and beneficiaries; and through any ticket documentation.

¹ a scheme whereby multiple societies promote lotteries under a common brand name or image, either on rotation with other societies or as a regular occurrence for that single society.

5 Marketing

5.1 Rewards and bonuses

Social responsibility code provision 5.1.1

Rewards and bonuses – SR code

All licences (including ancillary remote licences), except gaming machine technical and gambling software licences

- 1 If a licensee makes available to any customer or potential customer any incentive or reward scheme or other arrangement under which the customer may receive money, goods, services or any other advantage (including the discharge in whole or in part of any liability of his) ('the benefit') the scheme must be designed to operate, and be operated, in such a way that:
 - a the circumstances in which, and conditions subject to which, the benefit is available are clearly set out and readily accessible to the customers to whom it is offered;
 - b neither the receipt nor the value or amount of the benefit is:
 - i dependent on the customer gambling for a pre-determined length of time or with a pre-determined frequency; or
 - ii altered or increased if the qualifying activity or spend is reached within a shorter time than the whole period over which the benefit is offered.
 - c if the value of the benefit increases with the amount the customer spends it does so at a rate no greater than that at which the amount spent increases; and further that:
 - d if the benefit comprises free or subsidised travel or accommodation which facilitates the customer's attendance at particular licensed premises the terms on which it is offered are not directly related to the level of the customer's prospective gambling.

Ordinary code provision 5.1.2

Proportionate rewards

All licences (including ancillary remote licences), except gaming machine technical and gambling software licences

- 1 Licensees should only offer incentive or reward schemes in which the benefit available is proportionate to the type and level of customers' gambling.

Ordinary code provision 5.1.5

Mailing of lottery tickets

All lottery licences

- 1** With a view to minimising the risk of fraud, licensees who are non-commercial societies or external lottery managers should adopt one or more of the following measures:
 - a** prohibit the unsolicited mailing of tickets to non-members of the promoting society
 - b** limit the value of tickets sent to any one address which is not that of a member of the promoting society to £20
 - c** maintain records of tickets distributed and not returned.

Social responsibility code provision 5.1.7

Compliance with advertising codes (lotteries)

All lottery licences

- 1** All marketing of gambling products and services must be undertaken in a socially responsible manner.
- 2** In particular, Licensees must comply with the advertising codes of practice issued by the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) as applicable. For media not explicitly covered, licensees should have regard to the principles included in these codes of practice as if they were explicitly covered.

Ordinary code provision 5.1.8

Compliance with industry advertising codes

All licences

- 1** Licensees should follow any relevant industry code on advertising, notably the Gambling Industry Code for Socially Responsible Advertising.

Social responsibility code provision 5.1.9

Other marketing requirements

All licences

- 1** Licensees must ensure that their marketing communications, advertisement, and invitations to purchase (within the meaning of the Consumer Protection from Unfair Trading Regulations 2008) do not amount to or involve misleading actions or misleading omissions within the meaning of those Regulations.
- 2** Licensees must ensure that all significant conditions which apply to marketing incentives are provided transparently and prominently to consumers. Licensees must present the significant conditions at the point of sale for any promotion, and on any advertising in any medium for that marketing incentive except where, in relation to the latter, limitations of space make this impossible. In such a case, information about the significant conditions must be included to the extent that it is possible to do so, the advertising must clearly indicate that significant conditions apply and where the advertisement is online, the significant conditions must be displayed in full no further than one click away.
- 3** The terms and conditions of each marketing incentive must be made available for the full duration of the promotion.

Ordinary code provision 5.1.10

Online marketing in proximity to information on responsible gambling

All licences

- 1 Licensees should ensure that no advertising or other marketing information, whether relating to specific offers or to gambling generally, appears on any primary web page/screen, or micro site that provides advice or information on responsible gambling

Social Responsibility code provision 5.1.11

Direct electronic marketing consent

All licences

- 1 Unless expressly permitted by law consumers must not be contacted with direct electronic marketing without their informed and specific consent. Whenever a consumer is contacted the consumer must be provided with an opportunity to withdraw consent. If consent is withdrawn the licensee must, as soon as practicable, ensure the consumer is not contacted with electronic marketing thereafter unless the consumer consents again. Licensees must be able to provide evidence which establishes that consent.

6 Complaints and disputes

6.1 Complaints and disputes

Social responsibility code provision 6.1.1

Complaints and disputes

All licences (including ancillary remote licensees) except gaming machine technical and gambling software licences

- 1** Licensees must put into effect appropriate policies and procedures for accepting and handling customer complaints and disputes in a timely, fair, open and transparent manner.
- 2** Licensees must ensure that they have arrangements in place for customers to be able to refer any dispute to an ADR entity in a timely manner if not resolved to the customer's satisfaction by use of their complaints procedure within eight weeks of receiving the complaint, and where the customer cooperates with the complaints process in a timely manner.
- 3** The services of any such ADR entity must be free of charge to the customer.
- 4** Licensees must not use or introduce terms which restrict, or purport to restrict, the customer's right to bring proceedings against the licensee in any court of competent jurisdiction. Such terms may, however, provide for a resolution of a dispute agreed by the customer (arrived at with the assistance of the ADR entity) to be binding on both parties.
- 5** Licensees' complaints handling policies and procedures must include procedures to provide customers with clear and accessible information on how to make a complaint, the complaint procedures, timescales for responding, and escalation procedures.
- 6** Licensees must ensure that complaints policies and procedures are implemented effectively, kept under review and revised appropriately to ensure that they remain effective, and take into account any applicable learning or guidance published by the Gambling Commission from time to time.
- 7** Licensees should keep records of customer complaints and disputes in such manner as the Commission may from time to time specify in advice or guidance. They must provide information to the Commission about customer complaints, disputes, the outcomes of disputes referred to ADR, and court proceedings adverse to the licensee, also in such manner as the Commission may from time to time specify.

In this Code, 'ADR entity' means a person offering alternative dispute resolution services whose name appears on the list maintained by the Gambling Commission in accordance with *The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015*.

7 Gambling licensees' staff

7.1 Gambling licensees' staff

Social responsibility code provision 7.1.2

Responsible gambling information for staff

All licences, including betting ancillary remote licences, but not other ancillary remote licences

- 1 Licensees must take all reasonable steps to ensure that staff involved in the provision of facilities for gambling are made aware of advice on socially responsible gambling and of where to get confidential advice should their gambling become hard to control.

8 Information requirements

8.1 Information requirements

Ordinary code provision 8.1.1

Information requirements – ordinary code

All licences

- 1 As stated earlier in this code, the Commission expects licensees to work with the Commission in an open and cooperative way and to inform the Commission of any matters that the Commission would reasonably need to be aware of in exercising its regulatory functions. These include in particular matters that will have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly and consistently with the licensing objectives.
- 2 Thus, licensees should notify the Commission, or ensure that the Commission is notified, as soon as reasonably practicable and in such form and manner as the Commission may from time to time specify¹, of any matters which in their view could have a material impact on their business or affect compliance. The Commission would, in particular, expect to be notified of the occurrence of any of the following events in so far as not already notified in accordance with the conditions attached to the licensee's licence²:
 - a any material change in the licensee's structure or the operation of its business
 - b any material change in managerial responsibilities or governance arrangements
 - c any report from an internal or external auditor expressing, or giving rise to, concerns about material shortcomings in the management control or oversight of any aspect of the licensee's business related to the provision of gambling facilities.

¹ These matters can be reported securely online at the Commission's website through our eServices system www.gamblingcommission.gov.uk

Alternatively, for operators unable to access this system, you can these events by email to: key.events@gamblingcommission.gov.uk

² Events which **must** be reported, because the Commission considers them likely to have a material impact on the nature or structure of a licensee's business, are set out in general licence condition 15.2.1

Making gambling fairer and safer

www.gamblingcommission.gov.uk