

# **Gambling Commission**

## **Department for Culture, Media and Sport**

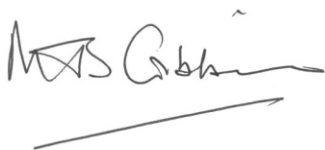
### **Non-qualifying regulatory provision assurance statement: confirmed**

The Regulatory Policy Committee (RPC) is content that, on the basis of the summary information provided, none of the measures or activities covered in the summary document should be considered as qualifying regulatory provisions for the purposes of the business impact target. The RPC has not been asked to provide a detailed view on any specific activity in this statement or comment on any activities not covered in either this summary document or a separate assessment of a qualifying regulatory provision.

#### **Comments on the non-qualifying regulatory provision summary**

The consultation on the statutory Guidance to Licencing Authorities is correctly classified as a NQRP under the policy development exclusion. However, to improve the clarity and accessibility of the summary document the regulator may wish to make it more explicit that this guidance applies to licencing authorities only and does not impose new regulatory requirements or directly increase the regulatory burden on gambling operator businesses.

For completeness, the NQRP summary would also benefit from including an explicit statement for each of the exclusion categories not used e.g. pro-competition or price control, saying that the Gambling Commission has considered the exclusion category and is satisfied that none of its measures for the reporting period qualify for the exclusion.



**Michael Gibbons CBE**, Chairman

## Non-qualifying Regulatory Provisions Summary Reporting Template

Regulator: GAMBLING COMMISSION

Business Impact Target Reporting Period Covered: 8 MAY 2015 – 8 MAY 2016

Excluded Category*	Summary of measure(s), including any impact data where available**
A – EU and International	<p>The Gambling Commission (the Commission) implemented Government regulations resulting from the EU Alternative Resolution Dispute (ADR) Directive. This meant the Commission became the competent authority for the approval of ADR entities in the gambling sector. These regulations also require ADR entities to submit information to the Commission annually. In addition, the Commission issued advice online to remote operators to help them understand the requirements of the EU Online Dispute Resolution Regulation (but this advice did not add a regulatory burden on businesses). None of the changes of European/International origin place additional burdens on business beyond those required under legislation of EU or international origin (no gold plating has occurred.)</p>
E – Fines and Penalties	<p>By way of background, as set out in the Gambling Commission’s Statement of Principles for Licensing and Regulation (March 2015) voluntary settlements are one means by which an operator may be dealt with following failure to comply with their licence requirements. <i>‘As licence reviews can be time consuming and expensive for both the Commission and licensees, the Commission will seek, where appropriate, to fulfil its statutory obligations and pursue the licensing objectives through means that stop short of formal licence reviews under section 116 of the Act. One means for achieving this will be by way of voluntary settlement’</i></p> <p>There have been 5 voluntary settlements made by industry during the year following agreement between the Commission and the operator to secure compliance with regulatory requirements, with the monies used for socially responsible purposes. Such voluntary settlements relate to businesses who are not compliant with existing regulatory requirements. They do not represent an additional burden placed on businesses.</p>
L1 – Casework	<p>In terms of personal and operator licence holders who have had a regulatory sanction imposed on them:</p> <ul style="list-style-type: none"> <li>• we revoked 12 personal licences (similar numbers to the previous year)</li> <li>• 6 operators received warnings</li> <li>• 4 operators received warnings and had conditions attached</li> <li>• 1 received a financial penalty for breach of conditions</li> <li>• 1 received a warning, had conditions attached and a financial penalty for breach of conditions</li> </ul> <p>These actions against non-compliant businesses were to secure compliance with existing regulatory requirements. The previous year had seen a similar number of warnings, but also some revocations. No activities listed in this section represent a change in the burden of regulation placed on business.</p> <p>One case was referred to the First Tier Tribunal (Gambling) and then on to the Upper Tier Tribunal and the applicant is currently appealing the outcome.</p>

	During this period 211 new operator licences were issued.
L2 – Education, communications and promotion	<p>The Commission has given:</p> <ul style="list-style-type: none"> <li>• Over 15 presentations to external stakeholders such as trade body national conferences and regulatory briefing events and over 40 presentations to co regulatory partners such as licensing authorities and the police on topics such as the Guidance to Licensing Authorities, Premises Risk Assessments, Gaming Machines and lotteries. We also exhibited at 5 trade fairs. Operator attendance at such events is not compulsory.</li> <li>• General information was provided to operators and co regulatory partners via 11 Licensing Authority bulletins and 25 E bulletins and 50 press releases during the year and we made various updates to our website content including to advice notes, quick guides, FAQs, mini blogs about the separately assessed QRP changes, although none of the material produced itself adds a regulatory burden. The communication is a restatement/dissemination of existing requirements.</li> <li>• None of the materials produced creates a new regulatory standard that business will be expected to follow and attendance at educational and promotional events is not compulsory.</li> </ul>
L3 – Activity related to policy development	<p>We undertook 4 policy reviews on topics such crime and digital advertising (separate QRP assessments to be submitted), and issued 4 consultations on topic such as self- exclusion and gaming machine environments, and any resultant regulatory changes will be separately assessed as QRPs.</p> <p>We consulted on statutory Guidance to Licensing Authorities (GLA) and subsequently published version 5 of the Guidance. The GLA is issued under s25 of the Gambling Act and requires the Commission to issue guidance on the manner in which licensing authorities (LAs) are to exercise their functions under the Act. Under s153 of the Act LAs must have regard to such guidance, alongside other issues like the licensing objectives. It does not increase the regulatory burden on gambling operators, which are set by the licence conditions and codes of practice as set down by the Commission. The Commission is not empowered to affect how an individual LA responds (or does not respond) to any changes made to the GLA. The GLA is modified from time to time in light of improved understanding of the Act and having regard to changes in the regulated industry.</p>
L4 – Changes to management of regulator	Our new Chief Executive took up post in October 2015. There was a restructure of senior management team in April 2016. Five new Commissioners joined the Board in April 2016.