

Licence conditions and codes of practice August 2018

Summary of key changes

1 Introduction

- 1.1 This summarises the key changes that are included in the revised [Licence conditions and codes of practice](#) (LCCP), which was published in August 2018 and comes into effect on **31 October 2018**.
- 1.2 This version of LCCP includes changes relating to marketing and advertising, unfair terms and complaints and disputes which were consulted on during 2018.

2 Background

- 2.1 The Commission publishes the general licence conditions and codes of practice which apply to licensed gambling operators in *Licence conditions and codes of practice* (LCCP), which is revised from time to time. We publish the current version of LCCP on our website and notify licensed operators.
- 2.2 In 2018, we consulted on changes to LCCP linked to:
- [The fair and open licensing objective](#) - these changes apply to all operators
- 2.3 We recommend that you read the response to the consultations, or refer to it when considering the intention and effect of a particular amendment to LCCP. The tables below provide an overview and brief explanation of the main changes. They are not intended to be exhaustive, so please refer to LCCP or the response if you have a specific query.
- 2.4 The tables at the end of this document show the amendments to:
- licence conditions in **orange shading**
 - social responsibility code provisions with **blue shading**. These are requirements which operators must follow
 - ordinary code provisions without any shading. These set out good practice which operators should follow or 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.

3 Overview of changes

Marketing and advertising - overview

- 3.1 We work with partners like the Advertising Standards Authority (ASA) and the Committees of Advertising Practice (CAP and BCAP) to make sure that marketing communications for gambling are fair, don't mislead, and aren't targeted at vulnerable people. We have made changes to our licence conditions to:
- ensure that licensees adhere to the UK Advertising Codes
 - make our current requirements about misleading advertising clearer to licensees
 - introduce a new requirement to prevent consumers from receiving 'spam' marketing by email or SMS
 - make clear to licensees that they are responsible for the actions of any third party organisations that they use, if the third party does not stick to any of these requirements.

Unfair terms - overview

- 3.2 We have been working with the Competition and Markets Authority (CMA) to look at whether the terms, conditions and practices that licensees use are fair and transparent, especially around bonus offers. This work flows from UK consumer protection legislation, which licensees must obey.
- 3.3 We have made changes to our licence conditions to make clear to licensees that they must obey relevant consumer protection legislation at all stages of dealing with consumers, and not only when designing marketing materials.
- 3.4 We have also made some changes to make it easier for us to take action if we think a licensee is not following the relevant rules.

Complaints and disputes - overview

- 3.5 Licensees must handle complaints in a fair, open, timely, transparent and effective manner. We have made changes to LCCP to make this outcome clearer to licensees. This includes introducing an eight week time limit for licensees to deal with gambling-related complaints and disputes.

4 Implementation dates and future LCCP changes

- 4.1 This version of LCCP will come into force on **31 October 2018** for all operators. Closer to this implementation date, we will provide updated sector extracts of LCCP on our website.
- 4.2 LCCP is not a static document and will be updated over time to reflect best practice and emerging research. We will continue to review LCCP and make changes in line with our three-year strategy [Fairer and safer gambling](#).

Table 1: Summary of key changes to licence conditions in LCCP (coming into effect 31 October 2018)

Topic	Licence condition (LC) number	Change	Summary of change please refer to LCCP for the full provision	Comments (if relevant) Includes a summary of the operators to which the provisions apply – consult LCCP for the full explanation
Fair and transparent terms and practices	LC 7.1.1	Amended condition	We have amended the existing licence condition to make the required outcomes clearer and to include consumer notices within its scope. We have also clarified that licensees must comply with consumer law at all stages of their dealings with consumers.	Applies to all operating licences except gaming machine technical and gambling software licences

Amendments to code provisions

LCCP contains two types of code provision:

- social responsibility code provisions: compliance with these is a condition of licences
- 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.

Table 2: Summary of changes to code provisions in LCCP (coming into effect 31 October 2018)

Topic	Code provision number OC = ordinary code provision, no shading	Change	Summary of change please refer to LCCP for the full provision	Comments Includes a summary of the operators to which the provisions apply – consult LCCP for the full explanation
Compliance with advertising codes	SR 5.1.6	Amended provision and escalation to requirement	We are making it a requirement to comply with UK advertising codes.	Applies to all operating licences, except lotteries
Compliance with advertising codes (Lotteries)	SR 5.1.9	Amended provision and escalation to requirement	We are making it a requirement to comply with UK advertising codes.	Applies to all lottery licences
Compliance with advertising codes	OC – 5.1.8	Retain ordinary code provision	We are adding a new ordinary code provision to retain the best practice to comply with industry codes of practice	Applies to all operating licences

Other marketing requirements	SR 5.1.7	Amended requirement	We have made amendments to the existing requirements to provide a clearer explanation of the requirement to not provide misleading marketing.	Applies to all operating licences
Electronic marketing consent	SR 5.1.11	New requirement	Introducing a new requirement not to contact consumers with direct e-marketing without their informed and specific consent	Applies to all operating licences
Responsibility for third parties	SR 1.1.2	Amended requirement	Amend existing requirement to clarify that licensees are responsible for the actions of their affiliates	Applies to all operating licences
Responsibility for third parties - remote	SR 1.1.3	Amended requirement	Amend existing requirement to clarify that licensees are responsible for the actions of their affiliates	Applies to all remote operating licences
Complaints and disputes	SR 6.1.1	Amended requirement	We have amended an existing requirement to focus on the outcomes to be delivered and moved additional detail into accompanying guidance	Applies to all operating licences except gaming machine technical and gambling software licences

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