

# licensing authority bulletin

## February 2017

### In this edition...

#### News

- Licensing authority annual returns
- Chief Executive looks to the year ahead
- Data to inform Government's gambling review
- National gambling helpline freephone
- Two men convicted after offering illegal gambling
- Six-monthly London boroughs meeting

#### Case studies

- **New** Newcastle City Council prosecution for illegal gambling

#### Advice and guidance updates

- **New** Bingo-themed events
- **New** OUNs: beware of contrived sporting events
- **New** Premises registers

#### Consultations

- **New** Changes to enforcement strategy
- **New** Extension to Primary Authority scheme

#### Information sharing

- **New** FOBT APPG publishes inquiry report
- **New** Sports and sports betting integrity plan
- **Updated** Gambling training modules for LAs

#### Reference materials

- List of Primary Authority gambling agreements
- Print friendly quick guides and template letters
- Licensing authority inspection outcome letters and inspection guidance
- Gambling Act statutory notices and forms
- Premises licence register
- Find operating licence holders
- Change of licensing personnel?
- Join our LinkedIn group

## News



## Advance notice: licensing authority annual returns

In early March we will be writing to LAs, advising them to start to prepare for their annual return covering the period 1 April 2016 – 31 March 2017 which should be submitted between 1 April and the 12 May 2017 (please do not submit your return before the 1 April or you will be asked to resubmit it). A further letter will be sent out in early April reminding LAs and providing details of the online portal. Please contact [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk) if you do not receive a letter by mid-March.

It is a requirement under the Gambling Act 2005 that LAs submit annual information regarding licensed gambling activities, inspection and compliance work. The return is also part of the DCLG Single Data list of information which local authorities are required to provide to central government.

A report analysing the returns will be published later in the year together with an Excel spreadsheet which will enable you to compare your authority with others across Great Britain.

# licensing authority bulletin

We were delighted that all 380 LAs submitted their returns last year and contributed to the [report](#) but a small number needed repeated chasing culminating in having to contact CEOs directly. Submitting the data is a statutory obligation, and failure to submit within this timescale will result in the matter being escalated.

Thank you for your cooperation.

## Chief Executive looks to the year ahead



Sarah Harrison, Chief Executive of the Gambling Commission

At a recent international gaming show in London, Sarah Harrison, Chief Executive of the Gambling Commission set out our focus for the coming year including:

- publication of a forward strategy that will guide the Commission's work over the next three years
- building consumer trust and confidence
- improving the way the Commission works
- developing advice to the Government on the gambling review
- a review of the online market.

[Sarah's full speech](#) is available on our website.

## Data to inform Government's gambling review

We have published new evidence which will help inform our advice to the Government's [review of gaming machines and social responsibility measures](#). The review covers a number of areas including maximum gaming machines stakes and prizes, allocations of gaming machines in licensed premises, and social responsibility measures to minimise the risk of gambling-related harm. To help develop our advice we:

- commissioned an analysis of the relationship between problem gambling and the number of different gambling activities a person takes part in (gambling involvement), [cross-venue data](#) which reveal patterns of play on the same category but across different gambling venues
- obtained detailed [data from operators](#) about how consumers use category B2 and B3 gaming machines.

The data covers nearly 20 billion plays on machines in licensed betting offices, and over 2 billion plays on machines in adult gaming centres and bingo venues.

## National gambling helpline freephone

The national gambling helpline is switching off the previous 0845 number in March 2017 and transferring fully to its freephone number service (which has been in operation since 2012).

Callers can contact the helpline on **0808 8020 133** for free, confidential and specialist support.

The service is operated by [GamCare](#) for anyone seeking information, advice and support regarding problem gambling across England, Scotland and Wales.



# licensing authority bulletin

## Two men convicted after offering illegal gambling

In February, following a prosecution brought by the Commission, Dylan Rigby and Craig Douglas, both from Essex, entered guilty pleas to offences under the Act. Rigby was ordered to pay £174,000 in fines and costs, whilst Douglas was ordered to pay £91,000.

They admitted to being Directors of Game Gold Tradings Limited, a company which operated and advertised FutGalaxy.com – an unlicensed gambling website.



The District Judge, DJ McGarva described the offending as “very grave”. He concluded that children had been gambling on the site but that it was impossible to know how many had done so and what the effect of the criminality has been; that, he said, was the “real mischief”. Having been shown footage of a 12 year old boy gambling on the website, the Judge described what he had seen as “horrific”, adding that the video had “hit home to me how serious this is”.

FutGalaxy.com, which has no official association with the FIFA series of games or EA Sports, allowed customers to buy virtual currency called FUT coins. Customers could then use those FUT coins to gamble. They could convert these into FIFA coins, which could in turn be sold for real money on an unauthorised secondary market in which Rigby also had an interest.

FutGalaxy.com offered gambling products including sports betting, a jackpot lottery style game, and a higher or lower style game. The full extent of the gambling operation facilitated and advertised by the defendants was revealed after the Commission executed search warrants at the defendants’ homes and seized a number of electronic devices and company documents.

Given the nature of the products offered by FutGalaxy.com the Commission was particularly concerned about its popularity amongst, and use by, children and young persons.

## Six-monthly London boroughs meeting

We are holding our first meeting of the year for licensing officers from London Boroughs on Tuesday 21 March 2017 in Camden town hall. Updates will be provided on topics such crime and illegal machines. London licensing authorities should contact [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk) if you haven’t already received your invitation.

## Case studies

### Newcastle City Council prosecution for illegal gambling

Newcastle licensing authority recently successfully prosecuted Mr Eyyup Celik for illegal gambling activity on unlicensed premises at the Turkish Community Centre, 40 Elswick Road, Newcastle.

Further to receipt of intelligence, licensing officials visited the premises and identified a gaming machine and a self-service betting terminal available for use at the premises, which were seized.

Newcastle Magistrates Court imposed a fine of £250 (reduced from £375 to give him credit for his guilty plea) and also imposed £30 victim surcharge, £1,112 officer costs and £55 legal costs. The court ordered forfeiture of the machines and the money (£1,560) contained therein.

# licensing authority bulletin

Councillor Nick Kemp, Cabinet Member for Neighbourhoods and Regulatory Services in Newcastle commented: "In order to have machines like this available for use legally, businesses must have the correct licences under the Gambling Act so that the licensing authority can appropriately regulate them. This is so we can work to protect vulnerable people from harm, prevent gambling being associated with crime and ensure that gambling is conducted in a fair and open way."

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

## Advice and guidance

### Bingo themed events

We have become aware of a number of bingo themed events occurring across Great Britain which raise questions as to compliance with regulations and monetary limits. Where we become aware of these events we will contact the organiser and the LA concerned however we are not best positioned to know what the local picture looks like.

The events typically occur in larger venues which host DJ nights, themed parties and live music with an alcohol licence. The advertising for the events we have concerns about frequently use the word 'bingo' in the advertising and often have an e-booking system. The target audience is predominantly younger adults and is sold as a 'new' version of bingo with more fun and frequently are advertised on the internet. Our main concerns about these events are:

- The venue and/or operator of the event may be in breach of the high turnover bingo rules and may require a bingo operator licence (see sections [18.12 – 18.15 of the GLA](#))
- The venue or operator of these events may be charging a par (participation) fee to play the bingo which is not permitted under the regulations. This may appear to be a charge for the overall event, a fee to get into the venue, rather than a separate charge for the bingo. This could only be determined on a case by case

basis, however from the evidence so far, the Commission has concerns about the legality of such arrangements.

In relation to the latter point we advised last month that alcohol licensed premises are able to provide facilities for bingo, as long as restrictions in S281 of the Act are complied with:

- in any seven day period, the aggregate stakes or prizes for bingo must not exceed £2000, either in money taken or prizes awarded (if the limit is exceeded, the relevant operating and personal licences must be applied for)
  - as part of the exempt gaming rules, a fee may not be levied for participation in the bingo. A compulsory charge, such as charging for a meal, or for entry to the premises where bingo is being played, may constitute a participation fee, depending on the particular circumstances.
- [The Gambling Act 2005 \(Exempt Gaming in Alcohol Licensed Premises\) Regulations 2007](#) set the controls for this form of gaming to ensure it remains a low stakes and prizes activity
- the bingo must comply with the [Code of Practice for equal chance gaming in club and premises with an alcohol licence](#) - this includes compliance with the maximum stakes of £5 per person per game.

We encourage LAs to monitor pubs, clubs and similar venues for the occurrence of these events and to contact us if you are unsure particularly in relation to stakes and prizes exceeding the £2,000 weekly limit or where there is a possible fee to play, should contact their compliance manager in the first instance.





# licensing authority bulletin

## OUNs: beware of contrived sporting events

With horse racing's Cheltenham Festival taking place on 14 to 17 March, LAs should be alert for Occasional Use Notices (OUNs) being used in a manner contrary to the legislative intention of the Act.

We have become aware of betting taking place under OUNs which are reliant upon contrived sporting events and we are concerned that this may become more prevalent.



OUNs are designed to permit licensed betting operators to provide facilities at genuine sporting events, within the boundaries of the identified venue on a specific date (on no more than eight occasions in a calendar year). Traditionally OUNs are in use at point-to-point meetings, cricket grounds or golf courses hosting competitions.

They cannot be used for a contrived sporting event at a premises (for example, at venues holding corporate events or in pubs/clubs) solely in order to apply for an OUN and to permit betting on premises where it would not normally be allowed – for example, so that a licensed bookmaker could accept bets on events such as the Cheltenham Festival.

Other events and time periods that may be attractive to those looking to exploit the use of OUNs include Aintree's Grand National meeting (6 to 8 April), Epsom's Derby meeting (2 and 3 June) and Royal Ascot (20 to 24 June).

LAs should check that the betting operator has the appropriate licence from the Commission and consider the nature of any event associated to an OUN and seek to establish details of the 'sporting event' taking place. Further OUN information can be found in [part 15 of the Guidance to Licensing Authorities](#) and LAs are encouraged to contact their compliance manager if they have any concerns.

## LA premises registers

Following a few recent enquiries, LAs are reminded that the Act requires that a register must be maintained and made available for inspection by members of the public at all reasonable times and LAs must make arrangements for the provision of a copy of an entry in the register, or of information, to a member of the public on request.

Premises licences issued	s156
Temporary use notices (TUNs)	s234
Family entertainment centre permits (uFECs )	sch 10, part 23
Small society lotteries	sch 11, part 5
Club machine and club gaming permits	sch 12, part 26
Alcohol licensed premises gaming machine permits	sch 13 part 22
Prize gaming permits	sch 14, part 23

# licensing authority bulletin

## Consultations

### Changes to the Commission's enforcement strategy

We have published [our proposals for a new vision for our enforcement action](#) which will guide how we use our powers. It emphasises our expectations that gambling businesses put consumers first, and sets out proposals for credible deterrence. The closing date for responses is 21 April.

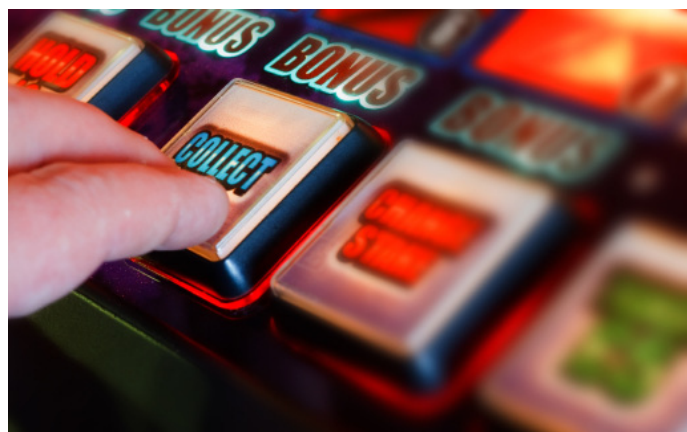
### Primary Authority consultation

The Department for Business Energy and Industrial Strategy (BEIS) has [published a consultation](#) seeking views on a number of changes to the current scheme which includes creating a statutory role for national regulators (including the Gambling Commission) to support primary authorities, thereby allowing greater consistency across local and national regulation. The closing date for the responses is 7 April.

## Information sharing

### FOBT APPG publishes inquiry report

The Fixed Odds Betting Terminal All Party Parliamentary Group has published the findings of its six-month inquiry [Fixed Odds Betting Assessing the Impact](#) which has taken in-depth evidence into the impact of FOBT machines in communities across the UK.



### Sports and sports betting integrity plan

The Sports Betting Integrity Forum has published the [2017 edition of its action plan](#). As well as some new priorities, the plan builds on the progress of last year, continuing the collaborative approach across sport, betting operators, law enforcement and government to prevent, protect against and deter sports betting-related corruption. The Forum also published its first [Annual Report](#) in relation to the 2016 SBI Action Plan.

### Gambling training modules for LAs

We have a number of refresher modules for licensing officers on topics which compliance managers can deliver at these at regional/IOL licensing meetings. Modules available are:

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

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

The Commission and Institute of Licensing (IOL) have jointly launched an e-learning module on gaming machines.

This module is the first of 3 modules designed to help LAs and other co-regulators to improve their understanding of gaming machines and the local regulation of them.

This module provides an introduction to gaming machines and covers:

1. The role of LAs in the regulation of gambling
2. What is a gaming machine?
3. The various types of gaming machine.



# licensing authority bulletin

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

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

## Reference materials

### List of Primary Authority gambling agreements and details of introductory courses

Gambling Primary Authorities (PA) agreements signed to date. LAs are reminded that there is **no restriction** on any LAs wishing to undertake proactive test purchasing activity where the PA has not developed a National Inspection Strategy.

Regulatory Delivery is currently offering a number of free introductory sessions on Primary Authority for local authority officers about the forthcoming changes to PA, which take effect in October 2017.

[Further details on the PA website.](#)

Milton Keynes - Ladbrokes  
(with National Inspection Strategy)  
London Borough of Newham - Corals  
(with National Inspection Strategy)  
Reading - Paddy Power  
(with National Inspection Strategy)  
Reading - BACTA  
Reading - ABB  
Reading - Welcome Break  
Reading - MOTO  
Westminster - William Hill

LAs should check the [Primary Authority register](#) to see which trade association members have signed up to the BACTA and ABB agreements (you need to search for Reading or for the name of the operator itself).

### Print friendly quick guides and templates

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

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

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

In the [LA toolkits on our new website](#) you can find example letter templates are also available, which LAs may wish to use when dealing with issues such as illegal machines in pubs, and illegal poker or betting in pubs.

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

# licensing authority bulletin

## Licensing authority inspection outcome letters and inspection guidance

In 2013, we worked together with the Leicester, Leicestershire and Rutland Licensing Forum and the Leicester and Leicestershire Enterprise Partnership (LLEP) to create templates for assessments at gambling premises. The templates included reference to the social responsibility code provisions issued by the Commission under s153 of the Act. We also jointly created a suite of letters to assist LAs in communicating the assessment outcome to operators. These documents have just been updated to reflect the new social responsibility codes that came into force in May 2015. You can find the assessment templates at the [LLEP website](#).

## Gambling Act statutory notices and forms

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

## Using the right forms

It is a statutory requirement that applicants use the correct forms to give proper notice of applications, variations etc to all responsible authorities, including the Commission (part 3, s12 and 13 of the Gambling Act 2005 (Premises Licences and Provisional Statements) Regulations 2007).

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

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

Additionally we are aware that the gambling pages on many LA websites signpost applicants to the DCMS website for more information. As you will know the separate government departments now all use the [www.gov.uk](#) website and much of the historic gambling material is no longer available.

LAs may wish to review and update their websites, signposting to the Commission's website where appropriate.

## Premises licence register

LAs are reminded that the information on the publicly available [premises register](#) is based on the statutory notifications received from LAs regarding grants, variations, revocations, lapses etc, and is updated monthly. LAs are encouraged to use email to submit details of grants, transfers, notices, revocations, permits sending all necessary correspondence to [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk). In relation to gaming machines, please only share notices of grant/rejection of Club Machines Permits and Gaming Machine Permits, as there is no requirement to advise us when an alcohol licence holder submits their notification for an automatic entitlement to two gaming machines. However LAs must keep a record of how many automatic entitlement notifications it receives each year, as that information is requested in the annual LA returns.





# licensing authority bulletin

## Find operating licence holders

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

## Change of licensing personnel?

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



## Join our LinkedIn group

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

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

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

**Keeping gambling fair and safe for all**  
[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)