

LICENSING COMMITTEE: 4 July 2006

Report of the Chief Strategic Planning and Environment Officer

GAMBLING COMMISSION RULES TO GOVERN GAMBLING

1. Background

- 1.1 Under the Gambling Act 2005 the local authority will be responsible for licensing gambling premises within Cardiff. The premises will then be able to be used by persons who have been granted an Operators Licence by the Gambling Commission.
- 1.2 An important part of the Gambling Commission's work is issuing certificates and other permissions to the organisations that run gambling in Britain and to certify key people who work in the casino and bingo sectors. From 2007 the Gambling Commission will issue new operating licences to organisations and individuals who are providing facilities for gambling, and personal licences to certain individuals working in the gambling industry. The Commission specifies some of the conditions under which these licences are granted, and also issues codes of practice for the provision and management of gambling facilities. The Commission has legal powers to monitor licence holders and can levy fines or revoke licences. It can also investigate and prosecute illegal gambling under the Gambling Act.
- 1.3 The Gambling Commission is the government's principal advisory body for issues relating to gambling. It is formally tasked with advising the Secretary of State on the incidence and nature of gambling and its impact, and it is also responsible for advising licensing authorities on how they exercise their functions under the Gambling Act. On 10 March 2006 the Commission published a draft of the new rules which will govern British gambling in future. The changes are being introduced under the Gambling Act 2005 and are designed to secure the Act's three objectives of keeping crime out of gambling, making sure gambling is fair and open and protecting children and vulnerable people from harm.

2. Details.

- 2.1 The Commission's Licence Conditions and Codes of Practice sets out a raft of provisions, including new rules designed to combat problem gambling. Amongst the key points are:

- All gambling operators must have published policies and procedures for promoting socially responsible gambling. These must include how they will contribute to research, to education about the risks of gambling, and to the treatment of problem gamblers.
- Information about responsible gambling and help available to problem gamblers must be prominently displayed wherever gambling takes place, as well as in discreet areas such as toilets. Online operators must make this information accessible on their home and login pages.
- Operators must exclude people in cases where there are clear signs of problem gambling, and customers who feel they have a problem must also be able to exclude themselves.
- Casino and bingo operators must introduce measures to control continuous and repetitive play, such as designing sites and implementing procedures to encourage breaks in play and making customers aware of the time they have spent gambling. Alcohol must not be used as an inducement to encourage people to gamble. Strict technical standards will be imposed to control the speed of gaming machines. Online operators must make sure that customers are aware of how much time and money they have spent on their sites.
- Operators must train their staff about problem gambling and about dealing with customers who may be affected.
- Operators must follow strict procedures to prevent underage gambling, including age checks on anyone who appears to be under 21. Specific rules will apply to casinos, which will be required to employ trained supervisors to keep anyone underage away from gambling. Online operators must carry out random credit card checks, and filtering software must be made available to allow adults to block access by children and young people.
- Key staff such as managing and finance directors must be licensed by the Commission, as must casino employees such as dealers and cashiers. The application process for those licences is an important step in keeping crime out of gambling.
- The rules of games, odds, house edge and average return to the player must all be clearly displayed, and operators must have well-publicised complaints procedures which include an external, independent element.

2.2 The Gambling Commission have advised that the new rules are designed to combat problem gambling and uses the powers that the Gambling Act has provided and which the Commission intend to use that power to maximum effect. The rules have been drawn from international experience to make sure that standards of social responsibility amongst gambling operators will be the highest in the world. The Commission will monitor all British gambling operators to

- make sure they comply with our rules and have the power to fine or revoke the licences of those who fail to do so, and to prosecute illegal gambling.
- 2.3 The rules will apply to casinos, bingo clubs, lotteries and gaming machines, as well as betting and online gambling which are being brought under the Gambling Commission's jurisdiction for the first time.
3. **Achievability**
- This report contains no equality personnel or property implications.
4. **Legal Implications**
- 4.1 This Report is for information only and has no direct legal implications for the Council.
5. **Financial Implications.**
- 5.1 The licensing service is required to be self financing with all expenditure being met from fees and charges which are reviewed annually. The report is for information only and there are no financial implications arising from it.
6. **Recommendation**
- 6.1 That the report be noted.

16th June 2006

CHIEF STRATEGIC PLANNING AND ENVIRONMENT OFFICER

This report has been prepared in accordance with procedures approved by Corporate Managers.

Background Papers: None