

APPENDIX 4

CODES OF PRACTICE

GAMBLING COMMISSION

Licence Conditions and Codes of Practice
June 2007

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Introduction

1. This document sets out the Gambling Commission's general licence conditions and associated codes of practice under the Gambling Act 2005 (the Act). These conditions and codes will come into force for gambling operating and personal licensees on 1 September 2007. The document sets out:

- the suite of general conditions to be attached to operating licences;
- the suite of general conditions to be attached to personal licences;
- the principal code of practice, distinguishing between 'social responsibility' provisions and 'ordinary' provisions (the social responsibility provisions are highlighted by shading within the text); and
- the code of practice to be attached to casino premises licences concerning access for children and young persons.

2. The document replaces both issue 1 of the licence conditions and codes of practice issued by the Commission in November 2006, and supplement 1 of the licence conditions and codes of practice which was issued in December 2006 and related to the financial requirements.

3. Alongside these conditions and codes, we have published a short guide explaining the changes made since the earlier versions were published. The changes clarify the Commission's position and ensure that our original intentions are accurately reflected in the conditions and codes.

4. Relevant requirements of the conditions and code provisions were notified in draft to the European Commission in accordance with Directive 98/34/EC, as amended by Directive 98/48/EC.

5. You can obtain copies of this report and the other documents mentioned above from the Commission's website, www.gamblingcommission.gov.uk or by writing to:

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Victoria Square House
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Birmingham B2 4BP

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Part I: General conditions imposed by the Gambling Commission

Suite of general conditions to be attached to operating licences pursuant to Section 75 of the Gambling Act 2005 ('the Act')

1 Personal licences and qualified persons

1.1 Qualified persons

Operating licences (except ancillary remote licences) issued to small-scale operators

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.

Schedule [X]¹ lists those individuals notified to the Commission as qualified persons.

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 s104(1)(b) for amendment of the details of the licence set out in Schedule [X]¹.

An application for amendment under s104(1)(b) 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.

Non-remote general betting operating licence issued to small-scale operators

Schedule [Y]¹ to this licence lists those of the licensee's employees whose details have been provided to the Commission as authorised by the licensee to accept bets on the licensee's behalf on a track otherwise than under the supervision of a qualified person present on the same track.

Should the licensee wish to add an individual to the list or remove the name of an individual from the list the licensee must make application to the Commission under s104(1)(b) for amendment of that detail of the licence. Any employee the licensee wishes to add to the list may act unsupervised pending amendment of the licence provided a valid amendment application has been lodged with the Commission.

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

All casino operating licences except ancillary remote licences

(a) Subject to (f) and (g) below licensees must ensure:

- (i) that each individual who occupies one of the management offices specified in (b) 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'); and
- (ii) that at least one person occupies at least one of those offices.

(b) 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:

- the overall management and direction of the licensee's business or affairs;
- the licensee's finance function as head of that function;
- the licensee's gambling regulatory compliance function as head of that function;
- the licensee's marketing function as head of that function;
- the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software;
- 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; or
- oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.

(c) 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.

(d) 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.

(e) Licensees must ensure that if any of the following operational functions:

- dealer,
- cashier,
- inspector,
- security staff employed to watch gaming, and
- supervisor of gaming activities,

is performed in connection with the licensed activities, they are performed by an individual who holds a personal licence authorising performance of the function (hereafter 'a personal functional licence').

Licensees must take all reasonable steps to ensure that anything done in the performance of those functions is done in accordance with the terms and conditions of the personal functional licence.

(f) Paragraphs (a) to (e) 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').

(g) During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs (a) to (e) above shall apply subject to the proviso that the phrase 'each individual' in paragraph (a)(i) 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.

All bingo operating licences except ancillary remote licences

(a) Subject to (e) and (f) below licensees must ensure:

- (iii) that each individual who occupies one of the management offices specified in (b) 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'); and
- (iv) that at least one person occupies at least one of those offices.

(b) 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:

- the overall management and direction of the licensee's business or affairs;
- the licensee's finance function as head of that function;
- the licensee's gambling regulatory compliance function as head of that function;
- the licensee's marketing function as head of that function;
- the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software;
- 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; or
- oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.

(c) 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.

(d) 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.

(e) Paragraphs (a) to (d) 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').

(f) During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs (a) to (e) above shall apply subject to the proviso that the phrase 'each individual' in paragraph (a)(i) 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.

General and pool betting, betting intermediary, gaming machine general, gaming machine technical, gambling software and lottery manager's licences except ancillary remote licences

(a) Subject to (e) and (f) below licensees must ensure:

- (i) that each individual who occupies one of the management offices specified in (b) 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'); and
- (ii) that at least one person occupies at least one of those offices.

(b) 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:

- the overall management and direction of the licensee's business or affairs;
- the licensee's finance function as head of that function;
- the licensee's gambling regulatory compliance function as head of that function;
- the licensee's marketing function as head of that function;
- the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software; or
- 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.

(c) 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.

(d) 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.

(e) Paragraphs (a) to (d) 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').

(f) During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs (a) to (e) above shall apply subject to the proviso

that the phrase 'each individual' in paragraph (a)(i) 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.

Lottery operating licences issued to non-commercial societies and local authorities

(a) Subject to (e) below licensees must ensure that the individual who occupies the management office specified in (b) 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').

(b) 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.

(c) 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.

(d) 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.

(e) Paragraphs (a) to (d) 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').

2 Technical standards and equipment specifications

Gaming machine technical, gambling software and remote operating licences (including gaming machine technical, gambling software and betting ancillary remote licences)

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

Non-remote bingo operating licences and bingo ancillary remote licences

Licensees must comply with the Commission's specifications for bingo equipment.

Non-remote casino operating licences and casino ancillary remote licences

Licensees must comply with the Commission's specifications for casino equipment.

3 Financial robustness

All operating licences (except ancillary remote licences), issued to companies

All company licensees must notify the Commission of the name and address of any person who becomes a shareholder in the company or its holding company holding 3% or more of the issued share capital of the company or its holding company; or any

existing shareholder who acquires a holding of 3% or more of the issued share capital of the company or its holding company.

In this condition 'holding company' has the meaning ascribed to that term by section 736 of the Companies Act 1985 (as amended).

All non-remote casino operating licences

Licensees must maintain a gaming reserve calculated in accordance with the formula below.

Roulette	=	5,000 times the maximum stake permitted 'en plain'/'single number'
Blackjack	=	100 times the maximum stake permitted per box
Dice	=	200 times the maximum stake permitted on a line bet
Baccarat	=	100 times the maximum stake
Punto Banco	=	100 times the maximum stake

When more than one table is operated in a single game, the amount needed for the second table is taken as 25% of the amount needed for the first table; no further addition need be made for additional tables.

Where more than one game is provided, the reserve required for each game should be calculated. The game generating the largest required reserve should be taken as indicating the total reserve required and the other games ignored.

(Cash reserves needed for the exchanging of chips and other operational requirements are in addition to these amounts.)

Except with the prior written consent of the Commission, the gaming reserve must only be used for the purpose of paying winnings to the customers that cannot be met from income or working capital. Licensees must inform the Commission when any part of the reserve is used, and (if used) when it has been fully reinstated.

4 Protection of customer funds

All operating licences except gaming machine technical, gambling software, bingo and casino ancillary remote licences, and lottery licences issued to non-commercial societies or local authorities

Licensees who hold customer funds for use in future gambling must set out clearly, in information made available to customers in writing, whether they protect customers funds in the event of insolvency and the method by which this is achieved.

Lottery manager's operating licences

Licensees must credit all lottery proceeds to a bank account or accounts having trustee status and at all times maintain a separation between those funds and their own trading income, or have in place other arrangements which provide legal protection, in the event of the licensee's insolvency, for society and local authority lottery funds the licensee manages.

5 Cash handling

All operating licences except for gaming machine technical, gambling software and remote operating licences

Licensees, as part of their internal controls and financial accounting systems, must have in place and follow written policies and procedures concerning the handling of cash, and cash equivalents (ie bankers drafts, cheques and debit cards), designed to minimise the risk of crimes such as money laundering, to avoid the giving of illicit credit and to provide assurance that gambling activities are being conducted fairly.

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

Gaming machine general operating licences for adult gaming centres and family entertainment centres

Licensees must not:

- themselves provide credit in connection with gambling; nor
- participate in, arrange, permit or knowingly facilitate the giving of credit in connection with gambling.

7 General 'fair and open' provisions

All operating licences except gaming machine technical and gambling software licences

Licensees must satisfy themselves that the terms on which gambling is offered are not unfair under the Unfair Terms in Consumer Contracts Regulations 1999 and, where applicable, meet the reasonableness test under the Unfair Contract Terms Act 1977.

An accurate summary of the contractual terms on which gambling is offered must be made available to customers and set out in plain and intelligible language.

Customers must be notified of changes to terms before they come into effect.

8 Display of licensed status

Lottery operating licences

Lottery promoters must display 'licensed by the Gambling Commission' and details of the Gambling Commission website on lottery tickets.

Remote bingo, casino, general betting, betting intermediary and pool betting operating licences, except ancillary remote licences

Licensees offering gambling on websites must:

- a) display the following information on a page which, by virtue of the construction of the website, customers access before being entitled to gamble:

- (i) a statement that they are licensed and regulated by the Gambling Commission;
 - (ii) their licence number; and
 - (iii) a link to the Gambling Commission's website.
- b) display at least the information at (i) above on each page of the website which offers facilities for gambling in reliance on the licence.

9 Types and rules of casino and other games

Non-remote casino operating licences only

Licensees must:

- with the exception of games made available for a specified period in accordance with a Commission approved trial of a proposed new game only offer or permit to be played casino games that appear on the Gambling Commission's list of approved games; and
- follow any rules for the playing of approved casino games, or other games of chance, as may be prescribed by the Commission.

Non-remote bingo operating licences only

Licensees must not offer or permit to be played games that appear on any proscribed list of prize gaming games issued by the Commission.

10 Tipping of casino employees

Non-remote casino operating licence only

Licensees must only permit tipping of staff holding personal licences where a tronc system is operated; that is to say where all tips are pooled and distributed amongst the employees concerned. A separate tronc may be operated for each of a number of categories of licensed staff.

11 Lotteries

Lottery operating licences issued to non-commercial societies

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 society is conducted.

The proceeds of any lottery promoted in reliance on this licence may not exceed £2,000,000 and the aggregate of the proceeds of lotteries promoted wholly or partly in a calendar year in reliance on the licence may not exceed £10,000,000.

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:

- £25,000; or
 - if more, 10% of the proceeds of the lottery; and
- 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).

No lottery promoted in reliance on this licence may be linked to any other lottery, free draw or prize competition.

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 £200,000 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 the lottery secures him automatic entry to 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 £200,000 in aggregate as a result of his participation in the lottery and the draw or competition.

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 £200,000, no advertisement for, nor other marketing of, the lottery may make any reference to that feature.

Licensees must ensure that each person who purchases a ticket in a lottery promoted in reliance on this licence receives a document which:

- identifies the promoting society;
- 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
- 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.

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

- must be the same;
- must be shown on the ticket or in a document received by the purchaser; and
- 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.

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:

- retain the message electronically; or
- print it.

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.

Lottery tickets must not be sold to a person in any street. But tickets may be sold by a person present in a kiosk or shop premises having no space for the accommodation of customers or door to door. For the purposes of this condition '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.

In respect of each lottery promoted in reliance on this licence, a lottery return must be submitted to the Commission within three months of the date of the 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. It must show the total proceeds and how they have been distributed between prizes and expenses and the amount applied directly to the society's purposes.

Every return must contain or be accompanied by a declaration that the information given in it is correct to the best of the signatory's knowledge and belief. The return must be signed by:

- a) the holder of a personal licence issued under Part 6 of the Act; or
- b) a 'qualified person' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006; or
- c) the designated person named on tickets in the lottery as having responsibility within the society for the promotion of the lottery.

Accounting records and copies of lottery returns must be retained for a minimum of three years from the date of any lottery to which they relate and be made available for inspection by the Commission on request. Accounting records must contain, in respect of each lottery, details of the total proceeds of the lottery, the expenses of the lottery and the sum allocated from the proceeds to cover those expenses, and the number of sold and unsold tickets.

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.

A qualifying auditor means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 but 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.

Accurate records for each lottery must be kept by the operator to support the data in the lottery returns and must be made available for inspection by the Commission when required. Such records must include:

- the total proceeds in each lottery;
- the percentage of proceeds allocated to prizes in each lottery;
- the amount of proceeds allocated to expenses and details of those expenses for each lottery; and
- the number of sold and unsold tickets in each lottery.

Lottery operating licences issued to local authorities

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 authority has power to incur expenditure.

The proceeds of any lottery promoted in reliance on this licence may not exceed £2,000,000 and the aggregate of the proceeds of lotteries promoted wholly or partly in a calendar year in reliance on the licence may not exceed £10,000,000.

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:
 - £25,000; or
 - if more, 10% of the proceeds of the lottery; and
- 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).

No lottery promoted in reliance on this licence may be linked to any other lottery, free draw or prize competition.

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 £200,000 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 the lottery secures him automatic entry to 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 £200,000 in aggregate as a result of his participation in the lottery and the draw or competition.

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

£200,000, no advertisement for, nor other marketing of, the lottery may make any reference to that feature.

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

- must be the same;
- must be shown on the ticket or in a document received by the purchaser; and
- 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.

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:

- retain the message electronically; or
- print it.

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.

Lottery tickets must not be sold to a person in any street. But tickets may be sold by a person present in a kiosk or shop premises having no space for the accommodation of customers or door to door. For the purposes of this condition '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.

In respect of each lottery promoted in reliance on this licence, a lottery return must be submitted to the Commission within three months of the date of the 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. It must show the total proceeds and how they have been distributed between prizes and expenses and the amount applied directly to purposes for which the authority has power to incur expenditure.

Every return must contain or be accompanied by a declaration that the information given in it is correct to the best of the signatory's knowledge and belief. The return must be signed by:

- a) the holder of a personal licence issued under Part 6 of the Act; or
- b) a 'qualified person' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

Accounting records and copies of lottery returns must be retained for a minimum of three years from the date of any lottery to which they relate and be made available for inspection by the Commission on request. Accounting records must contain, in respect of each lottery, details of the total proceeds of the lottery, the expenses of the lottery and the sum allocated from the proceeds to cover those expenses, and the number of sold and unsold tickets.

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.

A qualifying auditor means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.

Accurate records for each lottery must be kept by the operator to support the data in the lottery returns and must be made available for inspection by the Commission when required. Such records must include:

- the total proceeds in each lottery;
- the percentage of proceeds allocated to prizes in each lottery;
- the amount of proceeds allocated to expenses and details of those expenses for each lottery; and
- the number of sold and unsold tickets in each lottery.

Lottery manager's operating licences

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 society is conducted or the promoting local authority has power to incur expenditure as the case may be.

The proceeds of any lottery promoted in reliance on this licence may not exceed £2,000,000 and the aggregate of the proceeds of lotteries promoted wholly or partly in a calendar year in reliance on the licence may not exceed £10,000,000.

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:
 - £25,000; or
 - if more, 10% of the proceeds of the lottery; and
- 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).

No lottery promoted in reliance on this licence may be linked to any other lottery, free draw or prize competition.

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 £200,000 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:

- a. a person's participation in the lottery secures him automatic entry to the draw or competition; and
- b. the arrangements for the lottery and/or the draw or competition are such that a person may win more than £200,000 in aggregate as a result of his participation in the lottery and the draw or competition.

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 £200,000, no advertisement for, nor other marketing of, the lottery may make any reference to that feature.

Licensees must ensure that each person who purchases a ticket in a lottery promoted on behalf of a society in reliance on this licence receives a document which:

- identifies the promoting society;
- 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
- 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.

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

- must be the same;
- must be shown on the ticket or in a document received by the purchaser; and
- 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.

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:

- retain the message electronically; or
- print it.

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.

Lottery tickets must not be sold to a person in any street. But tickets may be sold by a person present in a kiosk or shop premises having no space for the accommodation of customers or door to door. For the purposes of this condition '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.

In respect of each lottery promoted in reliance on this licence, a lottery return must be submitted to the Commission within three months of the date of the 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. It must show the total proceeds and how they have been distributed between prizes and expenses and the amount applied directly to the society's purposes or to purposes for which the local authority has power to incur expenditure as the case may be.

Every return must contain or be accompanied by a declaration that the information given in it is correct to the best of the signatory's knowledge and belief. The return must be signed by:

- a) the holder of a personal licence issued under Part 6 of the Act;
- b) a 'qualified person' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006; or
- c) the designated person named on tickets in a lottery promoted on behalf of a non-commercial society as having responsibility within the society for the promotion of the lottery.

Accounting records and copies of lottery returns must be retained for a minimum of three years from the date of any lottery to which they relate and be made available for inspection by the Commission on request. Accounting records must contain, in respect of each lottery, details of the total proceeds of the lottery, the expenses of the lottery and the sum allocated from the proceeds to cover those expenses, and the number of sold and unsold tickets.

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.

A qualifying auditor means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989 but is not, in the case of a lottery promoted on behalf of a non-commercial society:

- 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.

Accurate records for each lottery must be kept by the licensee to support the data in the lottery returns and must be made available for inspection by the Commission when required. Such records must include:

- the total proceeds in each lottery;
- the percentage of proceeds allocated to prizes in each lottery;
- the amount of proceeds allocated to expenses and details of those expenses for each lottery; and
- the number of sold and unsold tickets in each lottery.

All licensees must have procedures in place designed to ensure that funds belonging to a society or local authority whose lotteries they manage in reliance on this licence are accounted for to them in a timely manner.

12 Betting intermediaries

Non-remote betting intermediary operating licences

Licensees must not lay bets on their own behalf when operating in their capacity as a public tic-tac on a track.

Tic-tacs must act only in relation to bets between holders of general betting operating licences (whether acting as principal or agent or through their authorised employees).

13 Pool betting

Pool betting operating licences; except those restricted to football pools

Licensees must inform the Commission, within 14 days, in writing, of any person they authorise pursuant to section 93(2) of the Act to offer pool betting on a track in connection with a horserace or dog race in reliance on an occasional use notice. In doing so, they must include the terms and conditions under which this has been agreed, and provide contact details of the management and key staff of those that are authorised.

Licensees and any person they so authorise must produce and retain a record of the transactions relevant to each pool that they offer. The record must be capable of identifying individual bets into the pool and relating these to subsequent payment of winnings where applicable. Licensees must make this information available to the Commission on request.

Pool betting operating licences which authorise football pools

Licensees must inform the Commission, within 14 days, in writing, of any person they authorise pursuant to Section 93(3) of the Act in respect of football pool betting. In doing so, they must include the terms and conditions under which this has been agreed.

Licensees and any person they so authorise must produce and retain a record of the transactions relevant to each pool that they offer. The record must be capable of identifying individual bets into the pool and relating these to the subsequent payment of winnings where applicable. Licensees must make this information available to the Commission.

All pool betting operating licences

Licensees must produce annual accounts which should be certified by a qualified independent accountant. Licensees must make copies available to the Commission.

14 Access to premises

All operating licences

Licensees must have in place and implement written 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 etc

All operating licences except betting licences, betting intermediary licences and ancillary remote licences

Licensees must provide the Commission with any information that they 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.

All betting operating licences (including betting intermediary and ancillary remote betting licences)

Licensees must provide the Commission with any information that they 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; or
- lead the Commission to consider making an order to void a bet.

Licensees who accept bets, or facilitate the making or acceptance of bets between others, on the outcome of horse races or other sporting events governed by one of the sport governing bodies for the time being included in Part 3 of Schedule 6 to the Act must also provide the relevant sport governing body with any information the licensee suspects may:

- lead the Commission to consider making an order to void a bet; or
- relate to a breach of a rule applied by that sport governing body.

15.2 Reporting 'Key Events'

All operating licences except ancillary remote licences

Licensees must notify the Commission of the occurrence of any of the following key events as soon as reasonably practicable and in any event within 5 working days of its occurrence:

- in the case of licensees which are companies, their (or any group company of theirs) being placed in liquidation, administration or receivership: in this condition a 'group company' is any subsidiary or holding company of the licensee - as those terms are defined in s736 Companies Act 1985 or any statutory modification or re-enactment thereof - and any subsidiary of such holding company;
- in the case of a licensee who is an individual (or a partner in a partnership licensee) their becoming bankrupt within the meaning of section 381 of the Insolvency Act 1986 or sequestration of their estate under section 12(1) of the Bankruptcy (Scotland) Act 1985;
- where the licensee is required to have its accounts independently audited, any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an audit certificate;
- the departure from the licensee's business of any holder of a personal management licence, other than those with oversight of the day to day management of licensed premises of a licensee operating more than 4 licensed premises;

- any reduction in the licensee's employed staff by more than 10% provided that represents at least 3 individuals;
- the acquisition or disposal of gambling premises or pitches;
- in the case of corporate licensees, the disposal or acquisition of any group company;
- the disposal of assets to the value of 10% or more of the licensee's total net assets;
- any breach of a covenant given to a bank or other lender;
- any default in making repayment of the whole or any part of a loan on its due date;
- any court judgments remaining unpaid 14 days after the date of judgment;
- the commencement of any material litigation against the licensee;
- any instance of internal or external fraud or theft involving a sum in excess of £10,000; and
- the commencement of disciplinary action against the holder of a personal licence where the licence holder is suspended or serious misconduct is alleged.

15.3 General and Regulatory Returns

All operating licences

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:

- the numbers of people making use of the facilities and the frequency of such use;
- the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them; and
- the licensee's policies in relation to, and experiences of, problem gambling.

In particular, within 28 days of the end of each quarterly or annual period as the case may be, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require.²

² The current forms of the sector specific returns and guidance notes for their completion are available on the Commission's website www.gamblingcommission.gov.uk and can also be obtained by writing to the Commission at Victoria Square House, Victoria Square, Birmingham B2 4BP.

Suite of general conditions to be attached to personal licences pursuant to Section 75 of the Gambling Act 2005

1 Personal licence holders must take all reasonable steps to ensure that the way in which they discharge their responsibilities in relation to licensed activities does not place the holder of the operating or any relevant premises licence in breach of their licence conditions, including the requirement to provide the Commission with information, the text of which is set out below.

2 Personal licence holders must keep themselves informed of developments in gambling legislation, codes of practice and any Commission guidance (whether on the Commission website or communicated direct) relevant to their role; and (for personal functional licences only) keep their technical competence up to date.

Note: Condition as to provision of information attached to operating licences

“15 Information requirements

15.1 Reporting suspicion of offences etc

All operating licences except betting licences, betting intermediary licences and ancillary remote licences

Licensees must provide the Commission with any information that they 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.

All betting operating licences (including betting intermediary and ancillary remote betting licences)

Licensees must provide the Commission with any information that they 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; or
- lead the Commission to consider making an order to void a bet.

Licensees who accept bets, or facilitate the making or acceptance of bets between others, on the outcome of horse races or other sporting events governed by one of the sport governing bodies for the time being included in Part 3 of Schedule 6 to the Act must also provide the relevant sport governing body with any information the licensee suspects may:

- lead the Commission to consider making an order to void a bet; or
- relate to a breach of a rule applied by that sport governing body.

15.2 Reporting 'Key Events'

All operating licences except ancillary remote licences

Licensees must notify the Commission of the occurrence of any of the following key events as soon as reasonably practicable and in any event within 5 working days of its occurrence:

- in the case of licensees which are companies, their (or any group company of theirs) being placed in liquidation, administration or receivership: in this condition a 'group company' is any subsidiary or holding company of the licensee - as those terms are defined in s736 Companies Act 1985 or any statutory modification or re-enactment thereof - and any subsidiary of such holding company;
- in the case of a licensee who is an individual (or a partner in a partnership licensee) their becoming bankrupt within the meaning of section 381 of the Insolvency Act 1986 or sequestration of their estate under section 12(1) of the Bankruptcy (Scotland) Act 1985;
- where the licensee is required to have its accounts independently audited, any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an audit certificate;
- the departure from the licensee's business of any holder of a personal management licence, other than those with oversight of the day to day management of licensed premises of a licensee operating more than 4 licensed premises;
- any reduction in the licensee's employed staff by more than 10% provided that represents at least 3 individuals;
- the acquisition or disposal of gambling premises or pitches;
- in the case of corporate licensees, the disposal or acquisition of any group company;
- the disposal of assets to the value of 10% or more of the licensee's total net assets;
- any breach of a covenant given to a bank or other lender;
- any default in making repayment of the whole or any part of a loan on its due date;
- any court judgments remaining unpaid 14 days after the date of judgment;
- the commencement of any material litigation against the licensee;
- any instance of internal or external fraud or theft involving a sum in excess of £10,000; and
- the commencement of disciplinary action against the holder of a personal licence where the licence holder is suspended or serious misconduct is alleged.

15.3 General and Regulatory Returns

All operating licences

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:

- the numbers of people making use of the facilities and the frequency of such use;
- the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them; and
- the licensee's policies in relation to, and experiences of, problem gambling.

In particular, within 28 days of the end of each quarterly or annual period as the case may be, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require.²

² The current forms of the sector specific returns and guidance notes for their completion are available on the Commission's website www.gamblingcommission.gov.uk and can also be obtained from the Commission by writing to the Commission at Victoria Square House, Victoria Square, Birmingham B2 4BP.

Part II: Codes of practice

Code of practice for gambling operators

Introduction

This is the Commission's principal code of practice, issued pursuant to section 24 of the Gambling Act 2005 (the Act). The text in shaded boxes comprises the 'social responsibility provisions', compliance with which is a condition of licensees' licences by virtue of section 82 of the Act. The text that is not shaded has the status described in section 24(8) and (9) of the Act. This code will come into force on 1 September 2007.

Code provisions

1 Financial requirements

Remote and non-remote casino licensees

Ordinary code provision

As part of their procedures for compliance with the requirements of the Proceeds of Crime Act 2002, the 2003 Money Laundering Regulations and the Terrorism Act 2000, licensees should have procedures in place which:

- establish procedures of internal control and communication to prevent money laundering;
- establish, verify and record the identity of all customers who enter the gambling facilities;
- record all transactions above those levels set out in Gambling Commission guidance;
- keep those records in a form and for the period required by the 2003 Money Laundering Regulations;
- ensure that, as required by law, reports of any apparent suspicious activity are passed in a timely manner to the Money Laundering Reporting Officer, whose job it is to consider such reports and to forward them where appropriate to the Serious Organised Crime Agency; and
- provide appropriate training to relevant staff to make them aware of the requirements of the laws on money laundering in respect of the operator's business and to enable them to recognise and deal with transactions which may be related to money laundering.

Remote and non-remote betting licensees – except those restricted to football pools only

Ordinary code provision

As part of their procedures for compliance with the requirements in respect of the prevention and detection of money laundering in the Proceeds of Crime Act 2002 and the Terrorism Act 2000, licensees should:

- unless there is a specific reason not to do so, appoint one or more nominated officers whose duty it is to take overall responsibility for the anti-money laundering procedures within the operation, in particular with respect to Suspicious Activity Reporting;

- ensure, through appropriate training and guidance, that all staff who handle money or accounts or accept bets are aware of their duties under anti-money laundering legislation to report all suspicious activity to the nominated officer in a timely manner or, where there is no such nominated officer, directly and promptly to the police. It is the nominated officer's duty to consider such reports and to forward them where appropriate to the Serious Organised Crime Agency; or
- adopt (or reflect in their procedures) the Association of British Bookmakers' guidelines.

2 Protection of children and other vulnerable persons

2.1 Combating problem gambling

All licensees

Social responsibility code provision

Licensees must have and put into effect policies and procedures intended to promote socially responsible gambling.

Licensees' policies and procedures for socially responsible gambling must include but need not be confined to:

- the specific policies and procedures required by the following provisions of section 2 of this code;
- a commitment to and how they will contribute to research into the prevention and treatment of problem gambling;
- a commitment to and how they will contribute to public education on the risks of gambling and how to gamble safely; and
- a commitment to and how they will contribute to the identification of and treatment of problem gamblers.

2.2 Access to gambling by children and young persons

Non-remote casino licensees (except a regional casino) and adult gaming centres

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

This must include procedures for:

- checking the age of apparently underage customers;
- removing anyone who appears to be under age who tries to access the gambling facilities and cannot produce an acceptable form of identification; and
- taking action when there are attempts by under-18s to enter the premises.

Licensees must not deliberately provide facilities for gambling in such a way as to appeal particularly to children or young people, for example by reflecting or being associated with youth culture.

In premises restricted to adults, service should be refused in any circumstances where any adult is accompanied by a child or young person.

Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This should include appropriate training which must cover the legal requirements on returning stakes and not paying prizes to underage customers.

Licensees must only accept identification which:

- contains a photograph from which the individual can be identified;
- states the individual's date of birth;
- is valid; and
- is legible and has no visible signs of tampering or reproduction.

Non-remote casino licensees (except a regional casino) and adult gaming centres Ordinary code provision

The Commission considers acceptable forms of identification to include any identification carrying the PASS logo (eg Citizencard, Validate and the Government's own Connexions card); a driving licence (including a provisional licence) with photocard; and a passport.

Licensees should implement procedures that require their staff to check the age of any customer who appears to them to be under 21.

Licensees should consider permanent exclusion from premises for any adult accompanied by a child or young person on more than one occasion to premises restricted to adults, or if there is reason to believe the offence was committed knowingly or recklessly.

Procedures should be in place for dealing with cases where a child or young person repeatedly attempts to gamble on premises restricted to adults, including oral warnings, reporting the offence to the Gambling Commission and the police, and making available information on problem gambling.

Non-remote casino licensees of a regional casino, non-remote bingo licensees, and family entertainment centres

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

This must include procedures for:

- checking the age of apparently underage customers;
- refusing entry to any adult-only areas to anyone unable to produce an acceptable form of identification; and

- taking action when there are unlawful attempts to enter the adult-only areas.

Licensees must not permit children or young people to gamble in the adults-only areas of premises to which they have access. If there is a 'no under-18s' premises policy, licensees must pay particular attention to the procedures they use at the entrance to the premises to check customers' ages.

Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling, returning stakes and not paying prizes to underage customers and particularly for challenging any adult who may be complicit in allowing a child or young person to gamble. In the case of a regional casino this must include specific training for any 'supervisor' (as described in section 176 of the Act) about his or her responsibilities.

Licensees must only accept identification which:

- contains a photograph from which the individual can be identified;
- states the individual's date of birth;
- is valid; and
- is legible and has no visible signs of tampering or reproduction.

Non-remote casino licensees of a regional casino, non-remote bingo licensees, and family entertainment centres

Ordinary code provision

The Commission considers acceptable forms of identification to include: any identification carrying the PASS logo (eg Citizencard, Validate and the Government's own Connexions card); a driving licence (including a provisional licence) with photocard; and a passport.

Licensees should require a person who appears to relevant staff to be under the age of 21 to be asked to produce proof of identity and age, either at the point of entry to the gambling area or as soon as it comes to the attention of staff that they wish to access gambling facilities.

Licensees should have in place procedures for dealing with cases where an adult knowingly or recklessly allows a child or young person to gamble. These procedures might include refusing to allow the adult to continue to gamble, removing them from the premises, and reporting the incident to the police or local authorities, or taking action where forged identification is produced.

Procedures should be in place for dealing with cases where a child or young person repeatedly attempts to gamble on their premises, including oral warnings, reporting the offence to the Gambling Commission and the police, and making available information on problem gambling to the young person concerned.

Where it is likely that customers' young or otherwise vulnerable children will be left unattended on or adjacent to their premises, licensees should consider reminding customers of their parental responsibilities and assess whether there is a need to develop procedures for minimising the risk to such children.

Non-remote general betting licensees and non-remote betting intermediaries

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

This must include procedures for:

- checking the age of apparently underage customers;
- removing from adult only licensed premises anyone who appears to be underage who tries to access the gambling facilities and cannot produce an acceptable form of identification;
- taking action when there are attempts by under-18s to enter adult only the premises;
- refusing entry to any adult-only area of a track to anyone unable to produce an acceptable form of identification; and
- taking action when there are unlawful attempts to enter the adult-only areas.

Licensees must not deliberately provide facilities for gambling in such a way as to appeal particularly to children or young people, for example by reflecting or being associated with youth culture.

In premises restricted to adults, service should be refused in any circumstances where any adult is accompanied by a child or young person.

Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This should include appropriate training which must cover the legal requirements on returning stakes and not paying prizes to underage customers.

Licensees must only accept identification which:

- contains a photograph from which the individual can be identified;
- states the individual's date of birth;
- is valid; and
- is legible and has no visible signs of tampering or reproduction.

Non-remote general betting licensees and non-remote betting intermediaries

Ordinary code provision

The Commission considers acceptable forms of identification to include any identification carrying the PASS logo (eg Citizencard, Validate and the Government's own Connexions card); a driving licence (including a provisional licence) with photocard; and a passport.

Licensees should implement procedures that require their staff to check the age of any customer who appears to them to be under 21.

Licensees should consider permanent exclusion from premises for any adult accompanied by a child or young person on more than one occasion to premises

restricted to adults, or if there is reason to believe the offence was committed knowingly or recklessly.

Procedures should be in place for dealing with cases where a child or young person repeatedly attempts to gamble on premises restricted to adults, including oral warnings, reporting the offence to the Gambling Commission and the police, and making available information on problem gambling.

Non-remote pool betting licensees

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

This must include procedures for:

- checking the age of apparently underage customers;
- removing from adult only licensed premises anyone who appears to be under age who tries to access the gambling facilities and cannot produce an acceptable form of identification;
- taking action when there are attempts by under-18s to enter adult only the premises;
- refusing entry to any adult-only area of a track to anyone unable to produce an acceptable form of identification; and
- taking action when there are unlawful attempts to enter the adult-only areas.

Licensees must not deliberately provide facilities for gambling in such a way as to appeal particularly to children or (except in the case of football pools) young people, for example by reflecting or being associated with youth culture.

In premises restricted to adults, service should be refused in any circumstances where any adult is accompanied by a child or young person.

Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This should include appropriate training which must cover the legal requirements on returning stakes and not paying prizes to underage customers.

Licensees must only accept identification which:

- contains a photograph from which the individual can be identified;
- states the individual's date of birth;
- is valid; and
- is legible and has no visible signs of tampering or reproduction.

Where football pool [or other pool competition] entries or payments are collected door to door by the licensee or the licensee's authorised agent the licensee's procedures must include procedures for:

- checking the age of apparently underage entrants to the pool; and
- taking action when there are unlawful attempts to enter the pool.

Non-remote pool betting licensees

Ordinary code provision

The Commission considers acceptable forms of identification to include any identification carrying the PASS logo (eg Citizencard, Validate and the Government's own Connexions card); a driving licence (including a provisional licence) with photocard; and a passport.

Licensees should implement procedures that require their staff to check the age of any customer who appears to them to be under 21.

Licensees should consider permanent exclusion from premises for any adult accompanied by a child or young person on more than one occasion to premises restricted to adults, or if there is reason to believe the offence was committed knowingly or recklessly.

Procedures should be in place for dealing with cases where a child or young person repeatedly attempts to gamble on premises restricted to adults, including oral warnings, reporting the offence to the Gambling Commission and the police, and making available information on problem gambling.

Non-remote lottery licensees

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to minimise the risk of lottery tickets being sold to children (ie persons under 16).

This must include procedures for:

- checking the age of apparently underage purchasers of lottery tickets; and
- taking action when there are unlawful attempts to purchase tickets.

Licensees must take all reasonable steps to ensure that all those engaged in the promotion of lotteries in reliance on the licence understand their responsibilities for preventing underage gambling, returning stakes and not paying prizes to underage customers.

Non-remote lottery licensees

Ordinary code provision

Licensees should require a person who appears to be under the age of 16 to be asked to produce proof of identity and age before purchasing a lottery ticket.

Remote licensees (including ancillary remote betting licensees) but not gaming machine technical, gambling software, ancillary remote casino or ancillary remote bingo licensees

Social responsibility code provision

Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.

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 customer services staff must be appropriately trained in the use of secondary forms of identification when initial verification 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) in the case of any UK resident customer who registers to gamble and deposits money using a debit card or any other type of electronic payment method other than a credit card, unless the licensee has established that a third party has satisfactorily carried out age verification, such procedures should also include:
 - i) verifying additional information about the customer, such as carrying out credit checks and searching databases which list names and addresses of individuals over the age of 18;
 - ii) carrying out secondary age verification checks in any circumstances which give the operator reason to suspect that the person may be underage;
 - iii) not permitting the customer to withdraw any winnings from their account until age verification has been satisfactorily completed; and
 - iv) in any event, a requirement that if age verification has not been satisfactorily completed within 72 hours of the customer applying to register to gamble and depositing money:
 - the account will be frozen;
 - no further gambling will be permitted until age verification has been successfully completed; and
 - if on completion of age verification the customer is shown to be underage all stakes are returned to the customer, and no winnings paid.
- g) in the case of any non-UK resident customer who registers to gamble and deposits money using a debit card or any other type of electronic payment method other than a credit card, such procedures should also include:

- taking all reasonable steps to make use of information publicly available for age verification purposes from whichever country the potential customer is resident in; and
 - each of the steps outlined in f) above, unless the licensee can demonstrate to the Commission's satisfaction that that step could not reasonably be implemented, or in the case of requirement iv) above, that a period of more than 72 hours was reasonably required.
- h) in the case of any customer who registers to gamble and deposits money using a credit card, conducting a programme of random checks of credit card users for compliance with age restrictions.

Remote licensees including ancillary remote betting licensees, but not ancillary remote bingo, ancillary remote casino, gaming machine technical and gambling software licensees

Ordinary code provision

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.

2.3 Information on how to gamble responsibly and help for problem gamblers

All licensees except gaming machine technical and gambling software and bingo and casino ancillary remote licensees

Social responsibility code provision

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.

Licensees must take all reasonable steps to ensure that this information is readily accessible including in locations which enable the customer to obtain it discreetly.

For gambling premises this should include:

- information in the gambling area, near gaming machines and near to where ATMs are located; and
- posters, or leaflets that may be collected discreetly and taken away, in other areas (eg toilets and near to exit doors).

The information must be prominent, and appropriate to the size and layout of the premises.

The information must cover where relevant:

- the availability of measures that are accessible to help an individual monitor or control their gambling, such as to restrict the duration of a gambling session or the amount of money they can spend;
- the availability of timers or any other forms of reminders or 'reality checks' that may be available;

- self-exclusion options; and
- information about the availability of further help or advice.

The information must be directed to all customers who wish to enjoy gambling as entertainment and not be targeted only at those the operator perceives to be 'problem gamblers'.

All licensees except gaming machine technical and gambling software and bingo and casino ancillary remote licensees

Ordinary code provision

Licensees who market their services in one or more foreign languages should make available in that, or those, foreign languages:

- the information on how to gamble responsibly and access to help referred to above;
- the players' guides to any game, bet or lottery required to be made available to customers under provisions in this code; and
- 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.

2.4 Customer interaction

Non-remote casino, bingo and general betting licensees, adult gaming centres, and remote licensees other than gaming machine technical, gambling software, remote lotteries, and ancillary remote bingo and casino licensees

Social responsibility code provision

Licensees must implement policies and procedures for customer interaction where they have concerns that a customer's behaviour may indicate problem gambling. The policies must include:

- identification of the appropriate level of management who may initiate customer interaction and the procedures for doing so;
- 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;
- the circumstances in which consideration should be given to refusing service to customers and/or barring them from the operator's gambling premises; and
- training for all staff on their respective responsibilities, in particular so that they know who is designated to deal with problem gambling issues.

But such policies and procedures should be consistent with, and implemented with due regard to, licensees' duties in respect of the health and safety of their staff.

2.5 Self-exclusion

Non-remote casino, bingo, betting and lottery licensees, and adult gaming centres

Social responsibility code provision

Licensees must put in place 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.

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.

Licensees must take all reasonable steps to prevent any marketing material being sent to a self-excluded customer as soon as practicable.

This covers any marketing material relating to gambling, or other activities that take place on the premises where gambling may take place. 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.

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.

Licensees must implement procedures designed to ensure that an individual who has self-excluded cannot gain access to gambling; and which include:

- 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);
- photo identification (where available and in particular where enforcement of the system may depend on photographic ID), and a signature;
- staff training to ensure that staff are able to enforce the systems; and
- the removal of those persons found in the gambling area or attempting to gamble from the premises.

Non-remote casino, bingo, and betting licensees and adult gaming centres

Ordinary code provision

Self-exclusion procedures should require individuals to take positive action in order to self-exclude. This can be a signature on a self-exclusion form.

Wherever practicable, individuals should be able to self-exclude without having to enter gambling premises.

Before an individual self-excludes, licensees should provide or make available sufficient information about what the consequences of self-exclusion are.

Licensees should take all reasonable steps to extend the self-exclusion to premises of the same type owned by the operator in the customer's local area. In setting the bounds of that area licensees may take into account the customer's address (if known to them), anything else known to them about the distance the customer ordinarily travels to gamble and any specific request the customer may make.

Licensees should encourage the customer to consider extending their self exclusion to other licensees' gambling premises in the customer's local area.

Customers should be given the opportunity to discuss self-exclusion in private, where possible.

Licensees should take all reasonable steps to ensure that:

- the self-exclusion period is a minimum of six months and give customers the option of extending this to a total of at least five years;
- 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;
- at the end of the period chosen by the customer (and at least six months later), maintain the self-exclusion in place, unless the customer takes positive action in order to gamble again. No marketing material may be sent to the individual unless the individual has taken positive action in order to gamble again, and has agreed to accept such material; and
- where a customer chooses not to renew, and makes a positive request to begin gambling again, give the customer one day to cool off before being allowed access to gambling facilities. The contact must be made via telephone or in person.

(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.)

All remote licensees (including ancillary remote betting licensees) but not gaming machine technical and gambling software or ancillary remote casino or bingo licensees

Social responsibility code provision

Licensees must put in place 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.

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.

Licensees must take all reasonable steps to prevent any marketing material being sent to a self-excluded customer as soon as practicable.

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.

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.

Licensees must implement procedures designed to ensure that an individual who has self-excluded cannot gain access to gambling; and which include:

- 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);
- a record of the card numbers to be excluded;
- staff training to ensure that staff are able to enforce the systems; and
- the removal of those persons found in the gambling area or attempting to gamble from the premises.

All remote licensees (including ancillary remote betting licensees) but not gaming machine technical and gambling software or ancillary remote casino or bingo licensees

Ordinary code provision

Self-exclusion procedures should require individuals to take positive action in order to self-exclude:

- over the **internet**, this can be a box that must be ticked in order to indicate that they understand the system; and
- by **telephone**, this can be a direct question asking whether they understand the system.

Wherever practicable, individuals should be able to self-exclude without having to enter the facilities for gambling.

Before an individual self-excludes, licensees should provide or make available sufficient information about what the consequences of self-exclusion are.

Licensees should encourage the customer to consider extending their self exclusion to other remote gambling operators currently used by the customer.

Customers should be given the opportunity to self-exclude by contacting customer services and in addition where technically possible by entering an automated process using remote communication. The licensee should 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.

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.

Licensees should take all reasonable steps to ensure that:

- the self-exclusion period is a minimum of six months and give customers the option of extending this to a total of at least five years;
- 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;
- at the end of the period chosen by the customer (and at least six months later), maintain the self-exclusion in place, unless the customer takes positive action in order to gamble again. No marketing material may be sent to the individual unless the individual has taken positive action in order to gamble again, and has agreed to accept such material;
- where a customer chooses not to renew, and makes a positive request to begin gambling again, give the customer one day to cool off before being allowed access to the gambling facilities. The contact must be made via telephone or in person; re-registering online is not sufficient.

(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.)

2.6 Employment of children and young persons

Lottery licensees and pool betting licensees restricted to football pools

Ordinary code provision

Licensees who employ young persons (16 and 17 year olds) to sell tickets, collect payments or pay out winnings should have 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.

Non-remote bingo licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 or 17) should be aware that it is an offence:

- a) to employ them to provide facilities for playing bingo; or
- b) for their contracts of employment to require them, or for them to be permitted, to perform a function in connection with a gaming machine;
- c) to employ a child to perform any function on premises where, and at a time when, facilities are being provided for playing bingo. As to (b) it should be noted that in the Commission's view the relevant provision of the Act applies to any function performed in connection with a gaming machine. This includes servicing or cleaning such a machine.

Accordingly, licensees should have policies and procedures designed to ensure that:

- children and young persons are never asked to perform tasks within (a) or (b) above;
- all staff, including those who are children and young persons themselves, are instructed about the laws relating to access to gambling by children and young persons;

and should consider adopting a policy that:

- children are not employed to work on bingo licensed premises at any time when the premises are open for business; and
- neither children nor young persons are in any event asked to work in areas where gaming machines are situated.

Non-remote casino licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence:

- a) to employ them to provide facilities for gambling;
- b) if gaming machines are sited on the premises, for their contracts of employment to require them, or for them to be permitted, to perform a function in connection with a gaming machine at any time; and
- c) to employ them to carry out any other function on casino licensed premises while any gambling activity is being carried on in reliance on the premises licence (except that they can be employed on a part of regional casino premises when that part of the premises is not being used for the provision of facilities for gambling).

As to (b) it should be noted that in the Commission's view the relevant provision of the Act applies to any function performed in connection with a gaming machine. This includes servicing or cleaning such a machine.

Accordingly, licensees should have policies and procedures designed to ensure that:

- children and young persons are never asked to perform tasks within (a) or (b) above;

- all staff, including those who are children or young persons themselves, are instructed about the laws relating to access to gambling by children and young persons;

and should consider adopting a policy that:

- children and young persons are not employed to work on casino licensed premises (other than in an area of a regional casino where gambling does not take place) at any time when the premises are open for business; and
- gaming machines are turned off if children and young persons are working on the premises outside the hours when the premises are open for business.

Non-remote general and pool betting licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence:

- a) to employ children to provide facilities for gambling in connection with football pools;
- b) otherwise to employ children and young persons to provide facilities for gambling
- c) if gaming machines are sited on the premises, for their contracts of employment to require them, or for them to be permitted, to perform a function in connection with a gaming machine at any time; and
- d) to employ them to carry out any other function on betting licensed premises while any gambling activity is being carried on in reliance on the premises licence.

As to (c) it should be noted that in the Commission's view the relevant provision of the Act applies to any function performed in connection with a gaming machine. This includes servicing or cleaning such a machine.

Accordingly, licensees should have policies and procedures designed to ensure that:

- children and young persons are never asked to perform tasks within (a) or (b) above;
- all staff, including those who are children or young persons themselves, are instructed about the laws relating to access to gambling by children and young persons;

and should consider adopting a policy that:

- children and young persons are not employed to work on betting licensed premises at any time when the premises are open for business; and
- gaming machines are turned off if children and young persons are working on the premises outside the hours when the premises are open for business.

Adult gaming centre licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence:

- a) to employ them to provide facilities for gambling;

- b) if gaming machines are sited on the premises, for their contracts of employment to require them, or for them to be permitted, to perform a function in connection with a gaming machine at any time; and
- c) to employ them to carry out any other function on adult gaming centre licensed premises while any gambling activity is being carried on in reliance on the premises licence;

As to (b) it should be noted that in the Commission's view the relevant provision of the Act applies to any function performed in connection with a gaming machine. This includes servicing or cleaning such a machine.

Accordingly, licensees should have policies and procedures designed to ensure that:

- children and young persons are never asked to perform tasks within (a) or (b) above;
- all staff, including those who are children or young persons themselves, are instructed about the laws relating to access to gambling by children and young persons;

and should consider adopting a policy that:

- children and young persons are not employed to work on adult gaming centre licensed premises at any time when the premises are open for business; and
- gaming machines are turned off if children and young persons are working on the premises outside the hours when the premises are open for business.

Family entertainment centre licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence:

- a) to employ them to provide facilities for gambling; and
- b) if gaming machines are sited on the premises, for their contracts of employment to require them, or for them to be permitted, to perform a function in connection with a gaming machine at any time.

As to (b) it should be noted that in the Commission's view the relevant provision of the Act applies to any function performed in connection with a gaming machine. This includes servicing or cleaning such a machine.

Accordingly, licensees should have policies and procedures designed to ensure that:

- children and young persons are never asked to perform tasks within (a) or (b) above;
- all staff, including those who are children or young persons themselves, are instructed about the laws relating to access to gambling by children and young persons;

and should consider adopting a policy that:

- children and young persons are not employed to carry out any work in an adult-only area of family entertainment licensed premises at a time when any gambling is taking place; and

- gaming machines sited in adult-only areas are turned off if children and young persons are working on the premises outside the hours when the premises are open for business.

All remote licensees except lottery, pool betting, gaming machine technical, gambling software, and bingo and casino ancillary remote licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence to employ them to provide facilities for gambling.

Remote pool betting licensees

Ordinary code provision

Licensees who employ children (under-16s) and young persons (those aged 16 and 17) should be aware that it is an offence:

- a) to employ children to provide facilities for gambling in connection with football pools; and
- b) otherwise to employ children and young persons to provide facilities for gambling.

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

General and pool betting licensees, betting intermediaries, lottery licensees and all remote licensees except gaming machine technical, gambling software and casino and bingo ancillary remote licensees

Social responsibility code provision

Licensees who choose to accept credit cards must:

- accept payment by credit card for gambling only where that payment is made to a customer account; and
- make available for gambling, funds deposited via credit card only after the card issuer has approved the transaction.

Non-remote general and pool betting licensees and remote licensees (including ancillary remote betting licensees) but not gaming machine technical and gambling software or ancillary remote casino or bingo licensees

Ordinary code provision

Licensees who choose to offer credit to members of the public who are not themselves gambling operators should also:

- have procedures for checking and scoring applications for credit from such customers, for setting, and for the increase of, credit limits;
- explain these procedures to customers;
- set a maximum credit limit for each customer and not permit customers to exceed that limit without further application;
- 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 had previously set;

- not require a minimum spend within a set time period;
- take reasonable steps to ensure that offers of credit are not sent to vulnerable persons, including those who have self-excluded from gambling; and
- ensure that information about an offer of credit includes a risk warning of what may happen in the event of default.

2.8 Money lending between customers

Non-remote casino licensees

Ordinary code provision

Licensees should take steps to prevent systematic or organised money lending between customers on their premises.

While the nature of those arrangements will depend to some extent on the layout and size of the premises, they should cover matters such as:

- systems for monitoring for such activity;
- instructions to staff concerning what they should do if they spot what they believe to be significant money lending and to managers about the ways in which they should handle and act on any such lending; and
- excluding from the premises, either temporarily or permanently as appropriate, any person whom the evidence suggests has become involved in organised or systematic money lending.

Particular care should be taken to ensure that there are appropriate arrangements in place to cover any cases where it appears that the lending may be commercial in nature or may involve money laundering. In the latter case, the requirements in respect of reporting suspicious transactions must be followed. In all cases where the operator encounters systematic or organised money lending, a report should be made to the Commission.

Non-remote bingo, and general betting licensees and adult gaming and family entertainment centres

Ordinary code provision

Licensees should seek to prevent systematic or organised money lending between customers on their premises. As a minimum they should have arrangements in place to ensure staff are requested to report any instances of substantial money lending when they become aware of them.

3 'Fair and open' provisions

All licensees (including ancillary betting, bingo and casino remote licensees) except gaming machine technical and gambling software

Social responsibility code provision

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

Non-remote casino licensees

Social responsibility code provision

In complying with any condition on a casino premises licence requiring the display of rules about gaming, licensees must ensure that the following are included:

- the rules of each type of casino game available to be played;
- a player's guide to the house edge; and
- a player's guide to the rules of any equal chance games which are made available.

Non-remote bingo licensees

Social responsibility code provision

In complying with any condition on a bingo premises licence requiring the display of rules about gaming, licensees must ensure that the following are included:

- rules about each variant of bingo made available; and
- rules about any prize gaming made available.

Remote licensees (including ancillary remote betting licensees) other than remote gaming machine technical and gambling software and ancillary remote casino and bingo licensees

Social responsibility code provision

Licensees must make the following available to customers:

- a player's guide to each gambling opportunity (bet, game or lottery) made available by the operator; and
- 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 an Annex to the Commission's Technical Standards.

Remote licensees (including ancillary remote betting licensees) other than remote gaming machine technical and gambling software and ancillary remote casino and bingo licensees

Ordinary code provision

Where practicable this should be done through the medium in which the remote gambling is to be conducted. Where that is not practicable, licensees should either:

- send a copy of the guide and required additional information by post, fax or email; or
- make these available to the customer in another medium to which he has access.

Non-remote casino licensees

Social responsibility code provision

Licensees must have policies and procedures in place designed to ensure that proper supervision of gaming at tables is carried out by supervisors, pit bosses and croupiers in order to prevent overcrowding or jostling of players. Such policies and procedures must take into account, but need not be limited by, any mandatory premises licence conditions relating to the layout of premises.

General betting licensees and betting intermediaries including remote and ancillary remote betting licensees

Social responsibility code provision

Licensees must set out within the full rules that they make available, the core elements for the acceptance and settlement of bets. These rules must cover:

- the circumstances under which the operator will void a bet;
- treatment of errors, late bets and related contingencies;
- availability of odds for any ante-post, early show or starting price betting, and treatment of place, forecast bets etc;
- treatment of withdrawals, non-runners, and reformed markets;
- maximum payout limiting liability for a specific betting product or generally;
- any charges made to customers for the use of betting services or products, and how these are calculated (including deductions from winnings for commission, or in respect of withdrawn horses etc);
- means or medium by which the outcome of an event will be determined;
- the rules for the event itself to be specified (eg horserace bets only to be accepted where the racing is subject to Horseracing Regulatory Authority rules);
- where bets are accepted on 'pari-mutuel' terms; and
- any special arrangements for settling bets on 'coupled' horses.

Where special rules have been agreed in relation to a particular bet these must not be overridden by any conflicting rules or subsequent rule changes.

Licensees must issue betting slips or an electronic acknowledgement (other than in the case of telephone betting) for each transaction which include information as to the operator's name and contact details, and words equivalent to 'Bets are accepted in accordance with the operator's rules'.

Non-remote general betting licensees only

Social responsibility code provision

In their terms on which bets may be placed (required to be displayed in accordance with mandatory conditions attaching to their premises licences) licensees must give prominence to their rules concerning voiding, late bets and maximum payouts.

When providing facilities for betting on-course, licensees must display on their 'joints' in an intelligible format:

- any rules that differ from Tattersalls' 'Rules on Betting' or the British Greyhound Racing Board's 'Regulations for the conduct of on-course bookmaking' as applicable³;
- any types of unorthodox bets accepted (such as forecast betting, betting without the favourite, distance betting etc);
- whether win-only or each way bets are accepted;
- any concessions or bonuses offered;
- all of the runners and the odds available to the public;
- the operator's trading name and contact address;
- the minimum bet accepted; and
- the maximum guaranteed liability.

Licensees operating within the ring at horserace tracks must issue customers with a betting slip or ticket for each transaction accepted. Betting slips or tickets must include the following information:

- operator's name and contact details;
- race day name or code, date and race number;
- name and/or number of the selection;
- the stake and potential return;
- the odds, or whether the bet will be settled according to the Starting Price;
- the type of bet.

Any special rules which have been agreed in relation to a particular bet must not be overridden by any conflicting rules or subsequent rule changes.

Remote licensees except gaming machine technical and gambling software licensees and ancillary remote licensees

Ordinary code provision

Licensees should ensure that the terms on which they contract with third parties who provide user interfaces enabling customers to access their remote gambling facilities:

- include a term that any such user interface comply with the Commission's technical standards for remote gambling systems; and
- enable them to terminate the third party's contract promptly if, in the licensee's opinion, the third party is in breach of that term.

All betting operating licensees (including betting intermediaries and ancillary remote betting licensees)

Ordinary code provision

Where licensees offer to accept bets, or facilitate the making or acceptance of bets between others, on the outcome of a sport regulated by a sport governing body for the time being included in Part 3 of Schedule 6 of the Act they should take all reasonable steps to familiarise themselves with the rules applied by that body.

³ The references to Tattersalls' 'Rules on Betting' and the British Greyhound Racing Board's 'Regulations for the conduct of on-course bookmaking' reflect the current position and may need to be amended in future.

4 Marketing

All licensees (including ancillary remote licensees) but not gaming machine technical and gambling software

Social responsibility code provision

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 customers;
- 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) dependent on the amount the customer spends on gambling within a pre-determined length of time which is shorter than the whole of the period during which the particular benefit is made available;
- 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.

All licensees (including ancillary remote licensees) but not gaming machine technical and gambling software

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

Non-remote bingo and casino licensees

Social responsibility code provision

If licensees offer customers free or discounted alcoholic drinks for consumption on the premises they must do so on terms which do not in any way link the availability of such drinks to whether, or when, the customer begins, or continues, to gamble.

Licensees must not make unsolicited offers of free alcoholic drinks for immediate consumption by customers at a time when they are participating in a casino game, bingo game or playing a gaming machine.

Non-remote casino licensees

Social responsibility code provision

If licensees pay fees or other remuneration to representatives engaged to promote their business (whether in the UK or overseas) the amounts of such payments shall

not be directly related to the level of customers' prospective losses at gambling nor dependent upon, nor calculated by reference to, the length of time for which, or frequency with which, the customer gambles.

Lottery licensees

Ordinary code provision

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:

- prohibit the unsolicited mailing of tickets to non-members of the promoting society;
- limit the value of tickets sent to any one address which is not that of a member of the promoting society to £20; and
- maintain records of tickets distributed and not returned.

All licensees

Ordinary code provision

Licensees should comply with the advertising codes of practice which apply to the form and media in which they advertise their gambling facilities or services.

All remote licensees except gaming machine technical, gambling software and ancillary remote licensees

Ordinary code provision

Licensees should ensure that the terms on which they contract with their affiliates (that is those who are given a right to advertise, or provide a hyper-link to, a licensee's gambling website) enable them to terminate the affiliate's rights promptly if, in the licensee's opinion, the affiliate is in breach of the advertising codes.

5 Complaints and disputes

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

Social responsibility code provision

Licensees must put in place a written procedure for handling customer complaints and disputes.

In this code a 'complaint' means a complaint about any aspect of the licensee's conduct of the licensed activities, and a 'dispute' is any complaint which:

- a) is not resolved at the first stage of the complaints procedure; and
- b) relates to the outcome of the complainant's gambling transaction.

Licensees must ensure that:

- customers are told the name and status of the person to contact about their complaint;

- customers are given a copy of the complaints procedure on request or on making a complaint; and
- all complaints are handled in accordance with the procedure.

Licensees must also ensure that customers whose disputes are not resolved to their satisfaction by use of the complaints procedure may refer them to an independent third party. The arrangements under which such complaints are referred may, but need not, provide for the third party's decision be binding on the licensee and the customer.

Licensees must keep a record of all complaints that are not resolved at the first stage of the complaints procedure.

Licensees must arrange for a copy of the decision on, or a note of the outcome of, each dispute referred to the independent party to be provided to the Commission quarterly, either by the independent party or by the licensee.

6 Gambling licensees' staff

Non-remote casino licensees only

Social responsibility code provision

Licensees must put in place policies and procedures to manage relationships between staff and customers, based on the principle that staff should not engage in any conduct which is, or could be, likely to prejudice the licensing objectives in the discharge of their duties.

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

Social responsibility code provision

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.

7 Pool betting

Pool betting licensees

Social responsibility code provision

Licensees or any person they authorise to offer pool betting on their behalf under authority of section 93 of the Act must publish their rules relevant to the following:

- the deduction levels for overheads, taxes, profits etc, expressed as a percentage, from each available pool;
- the rounding of winning dividends to a whole unit;

- the procedure for when there is no winner of the pool, and the circumstances in which the pool is carried over;
- the period of time in which a winning bet may be claimed from the pool operator.

Non-remote pool betting licensees authorised to offer pool betting on dog races

Social responsibility code provision

Licensees or any person they authorise to offer pool betting on their behalf under authority of section 93 of the Gambling Act 2005, must only accept bets through equipment capable of communicating bets to a central recording system.

The equipment must supply the person placing the bet with a betting slip or ticket containing the following information:

- the date on which the bet is made;
- the amount of the stake;
- the identity of the track, the number or time of the race and the pool in respect of which the bet is made;
- the selection or selections or combination of selections as indicated;
- means of identifying the equipment recording the bet.

The central recording system must collect all bets made to each of the operator's pools and all information required to calculate the winnings of each pool and be capable of storing this information for subsequent retrieval if required by the Commission.

Licensees and any person they authorise to offer pool betting on their behalf under authority of section 93 of the Gambling Act 2005 must:

- provide a public display system within sight of all of the operator's terminals capable of accepting pool bets situated on-course. The system should display the potential dividend returns in respect of win and place outcomes from each pool operated, and in at least one place the units staked on all types of combination bets offered. This information is to be updated whilst the pool market is open. Following conclusion of the event to which the pool relates, the total amount payable as winning dividends should be displayed as soon as possible; and
- prominently display the minimum stake that will be accepted as a bet.

Code of practice on access to casino premises for children and young persons

It is a statutory condition of each casino premises licence that the licensee ensures compliance with this code: s176 (3) Gambling Act 2005.

Licensees are responsible for ensuring compliance with this code of practice on access to casino premises for children and young people. Licensees must designate sufficient 'supervisors' (as defined in s.176) for each casino entrance, or in the case of a regional casino each entrance to the gambling area, whose responsibilities include ensuring compliance with this code.

Heavily used entrances may require more than one designated supervisor as there must be a sufficient number of designated supervisors to enable a considered judgment to be made about the age of everyone attempting to enter the casino, or in the case of regional casinos the gambling area, and to take the appropriate action (for example checking identification) whilst at the same time not allowing others to enter unsupervised. The nature of this task means that it cannot be properly accomplished only by using CCTV; it will require a physical presence.

Supervisors may be assisted by other door keepers provided the supervisor retains the responsibility for compliance with this code and deals personally with any case where there is any doubt or dispute as to someone's eligibility to enter.

A supervisor must be able to implement the following procedures.

- Checking the age of apparently underage customers, in particular asking individuals for proof of age if there is any doubt as to whether the individual is 18 or over.
- Refusing entry to anyone unable to produce an acceptable form of identification, ie one which:
 - contains a photograph from which the individual can be identified;
 - states the individual's date of birth;
 - is valid; and
 - is legible and shows no signs of tampering or reproduction.

The Commission considers acceptable forms of identification to include: any identification carrying the PASS logo (eg Citizencard, Validate and the Government's own Connexions card); a driving licence (including provisional licence) with photo card; and a passport.

- Taking action when there are unlawful attempts to enter the premises.
- Dealing with cases where a child or young person repeatedly attempts to gamble on premises restricted to adults including oral warnings, reporting the offence to the police, and making available information on problem gambling.

STATUTORY INSTRUMENTS

2007 No. 1410

BETTING, GAMING AND LOTTERIES

The Gambling Act 2005 (Exclusion of Children from Track Areas) Order 2007

Made

5th May 2007

Coming into force

1st September 2007

The Secretary of State makes the following Order in exercise of the powers conferred by section 182(4) of the Gambling Act 2005(1).

In accordance with section 355(6) of that Act, a draft of this instrument was laid before Parliament and approved by resolution of each House.

Citation and commencement

1. This Order may be cited as the Gambling Act 2005 (Exclusion of Children from Track Areas) Order 2007 and shall come into force on 1st September 2007.

Amendment to section 182(2) of the Gambling Act 2005

2. Section 182(2) of the Gambling Act 2005 shall be amended as follows—

- (a) at the end of paragraph (a) delete the word "and";
- (b) in paragraph (b) substitute "." with ", and"; and
- (c) after paragraph (b) insert—

"(c) shall not apply to any other track on a day on which a race or other sporting event takes place, or is expected to take place, on the track."

Richard Caborn
Minister of State
Department for Culture, Media and Sport

5th May 2007

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends section 182(2) of the Gambling Act 2005.

Section 182(1) of the Act prevents children and young persons from entering any area on a track where facilities for betting are provided (section 182(1)(a)) or where a gaming machine, other than a Category D machine, is situated (section 182(1)(b)).

Section 182(2) of the Act provides an exemption to section 182(1)(a) for dog tracks and horse race courses on a day when racing takes place, or is expected to take place, on the track or course as appropriate. This exemption enables children and young persons to enter any area of the track where betting facilities are

provided on a race day.

This Order amends section 182(2) to add an exemption for all other tracks on a day when a race or other sporting event takes place, or is expected to take place, on the track.

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