

Background Paper

Gambling Regulation



Gambling Act 2005

The main piece of primary legislation that controls the regulation of gambling is the Gambling Act 2005. It replaces the Gambling Act 1968 and came into effect in 2007.

Regulators

The Gambling Act 2005 specifies two regulators; the Gambling Commission and the local authority.

The Gambling Commission is the national regulator and licenses businesses and individuals via Operator Licences and Personal Licences. Because of the nature of non-remote gambling, such as that accessed online or via a mobile phone, the Gambling Commission licenses all remote betting and gaming. The Gambling Commission also set technical standards for all gambling equipment and the rules for games such as bingo, poker or roulette. They investigate licence breaches and have the power to impose fines, known as regulatory settlements. The Gambling Commission is responsible for regulating the National Lottery, including scratch cards.

The local authority, also referred to as the licensing authority, issues licences to places, i.e. bricks and mortar premises. It also regulated all non-remote betting and gaming such as betting in shops, gaming machines in premises, small prize draws through a range of licences, permits and registrations, for example:

- Gambling Premises Licence – casinos, betting shops, amusement arcades, bingo halls, horse racing tracks
- Various gaming machine and gaming permits – permission to site fruit machines and play poker etc in pubs, clubs with various restrictions
- Small Society Lottery Registration – permission to run prize draws where tickets are sold in advance

Licensing Objectives

The three licensing objectives that underpin the Gambling Act are:

- preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
- ensuring that gambling is conducted in a fair and open way
- protecting children and other vulnerable persons from being harmed or exploited by gambling

The first objective is dealt with by the Gambling Commission as all businesses and people are checked when making application for links to crime. They investigate complaints on a national level, for example those relating to money laundering.

The second objective is dealt with by a set of licence conditions and codes of practice published by the Gambling Commission and applied to operator licences. These include machine standards and rules of games.

Local authorities are mainly concerned with the third objective as this can be locality based. However each operator must abide by the Licence Conditions and Codes of Practice which specify requirements around social responsibility, and these are regulated by the Gambling Commission.

Non-remote Licensing Process (Gambling Premises Licence)

This is a straightforward licensing process, which allows people and businesses in the vicinity as well as a range of experts to have their opinion heard as to whether a licence should be granted. It follows a similar process to the alcohol licensing regime.

- Make an application
- 28 day notice period where representations/objections may be submitted.
 - Objections must be relevant, can't consider need.
 - Representations can only be made by specific people
- No objections = automatic grant
- Objections = hearing by 3 members of Licensing Committee
- Granted in perpetuity

However the Gambling Act has very specific wording embodied into it which makes outright refusal very difficult:

153 Principles to be applied

1. In exercising their functions under this Part a licensing authority shall aim to permit the use of premises for gambling in so far as the authority think it—
 - a) in accordance with any relevant code of practice under section 24,
 - b) in accordance with any relevant guidance issued by the Commission under section 25,
 - c) reasonably consistent with the licensing objectives (subject to paragraphs (a) and (b)), and
 - d) in accordance with the statement published by the authority under section 349 (subject to paragraphs (a) to (c)).

At hearings, the applicant can bring legal representation and will demonstrate how they comply with a) to d) above. It is generally accepted that the four matters should be considered in the order in which they appear in the Act. The Licensing Authority can attach conditions to a licence providing they are relevant, reasonable and proportion.

Permits and Registrations

These are a much lighter touch process, congruent with the nature of this type of gambling.

Gambling Act Review

The Government is reviewing the Gambling Act 2005 to ensure it remains fit for the digital age. A white paper was due to be published March 2022 but is now due in the New Year?

Contact details

Entertainment Licensing
Leeds City Council
Civic Hall
Leeds
LS1 1UR

Phone: 0113 378 5029
Website: www.leeds.gov.uk/licensing
Email: entertainment.licensing@leeds.gov.uk
Author: Susan Duckworth