



National Assembly for Wales
Cynulliad Cenedlaethol Cymru

The Gambling Bill

Abstract

This paper provides background briefing on the *Gambling Bill* as introduced into the House of Commons on 18 October 2004.

The Bill will consolidate all gambling law into a single Act of Parliament. It established a new regulator, the Gambling Commission and passes responsibility for premises licensing to local authorities. It introduces new safeguards to protect children and the vulnerable, regulates betting exchanges and legalises online betting from UK-based websites. It also relaxes present restrictions on casinos.

January 2005



The Gambling Bill

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Executive Summary

The *Gambling Bill* was introduced into the House of Commons during the 2003-04 session on 18 October 2004 and received its Second Reading on 1 November 2004. The Bill was carried over into the 2004-05 session and was reintroduced to the Commons on 24 November 2004.

The Bill contains the following key points:

- ◆ The establishment of a licensing system which requires the licensing of operators, persons and premises
- ◆ The creation of Gambling Commission to be responsible for licensing gambling operators and personnel working in the gambling industry
- ◆ Responsibility for the licensing of gambling premises to transfer to local authorities
- ◆ Local authorities to be able to refuse to allow new casinos in their area
- ◆ A new criminal offence of inviting, permitting or causing a child to gamble
- ◆ New controls on the way gaming machines operate
- ◆ Controls on the numbers and locations of new, high prize gaming machines
- ◆ Three-tier categorisation of casinos into 'regional', 'large' and 'small' with each category to have specified floor area and permitted number of gaming machines
- ◆ Abolition of the 'permitted areas' rule which defines strict areas where casinos can be built
- ◆ Abolition of the requirement that people must be a member of a casino or bingo hall for 24 hours before they enter
- ◆ Casinos allowed limited advertising
- ◆ Legalisation and regulation of internet gambling on UK-based websites
- ◆ Tighter restrictions on betting exchanges

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The Gambling Bill

1 Overview of existing gambling legislation and regulation

1.1 Legislation

Gaming

Gaming in Great Britain is currently controlled by the *Gaming Act 1968*. The main principle of the Act is that no one can claim a right to provide commercial gaming – it is a privilege to be conceded subject to tight scrutiny and only in response to public demand.¹

The Act also controls the number of commercial clubs providing games other than bingo; restricts bingo; and checks the proliferation of gaming machines and machines used for amusement with prizes.²

Betting

In an effort to suppress the demand for off-course cash betting, the *Betting and Gaming Act 1960* was passed. The Act makes it lawful for a bookmaker to run a cash betting office provided both are licensed.

Lotteries

The law on lotteries was consolidated in the *Lotteries and Amusements Act 1976*, which makes all lotteries unlawful except those provided for by the Act. One of the main aims of the Act is to ensure that lotteries contribute to good causes rather than operate solely as gambling operations.

The *National Lottery Act 1993* introduced the National Lottery.

1.2 Regulation

The Gaming Board for Great Britain

The Gaming Board for Great Britain is the principal regulator of gambling under current law. It was created by the *Gaming Act 1968*. Its main purpose is to keep criminal elements out of commercial gaming and to help ensure that where commercial gaming takes place it is properly managed and conducted fairly and in accordance with the law.

Financial Services Authority

The Financial Services Authority (FSA) regulates spread betting (where people can bet either way on a result or score) under the *Financial Services Act 1986*. The FSA must establish that firms and their key staff are suitable, that there is enough capital and that controls are adequate.

¹ *Introduction to the Gaming Act*, Home Office, 1968

² *Ibid*

Levy Board and National Joint Pitch Council

The Levy Board issues Certificates of Approval to racecourses, including point-to-points and determines where betting is allowed. It also issues a set of rules which govern how the betting ring is run. The National Joint Pitch Council (NJPC) enforces these rules and administers the betting ring.

National Lottery Commission

The National Lottery is regulated by the National Lottery Commission. Along with the Secretary of State for Culture, Media and Sport, the Commission ensures that the Lottery is run with propriety, that the interests of participants are protected, and, subject only to these, to maximise the revenue to good causes.

Magistrates

In England and Wales, the authority for the grant of bookmakers' permits, betting agency permits, betting office licences and casino licences is a committee of not less than five not more than fifteen of the justices acting for each petty sessions area (the licensing justices).

The licensing justices also register members' clubs and miners' welfare institutes for the use of jackpot machines and issue permits for Amusement with Prizes machines in pubs.

Local authorities

In Wales, County councils and in England, District councils or London boroughs:

- ◆ Issue licences for greyhound tracks
- ◆ Register pool promoters
- ◆ Register societies that are promoting small society lotteries
- ◆ Issue permits for Amusement with Prizes machines in locations other than premises with a liquor licence

2 Gambling and devolution

Legislative responsibility for betting, gaming and lotteries is reserved. The Home Secretary determines the policy on gambling across Great Britain and, in doing so, is required to consult the Scottish Executive. While gambling is a reserved matter as far as Wales is concerned, the Welsh Assembly Government has a policy interest in the implications of any proposed reforms

Some powers to make secondary legislation have been devolved to the Scottish Parliament. It has responsibility for betting and gaming fees, gaming hours and casino permitted areas in Scotland.

3 Background to the current *Gambling Bill*

3.1 *Gambling Review Report and White Paper*

In December 1999, the then Home Secretary, Jack Straw, announced the appointment of an independent body to conduct a 12-month review of the laws governing gambling. The



independent Gambling Review Body was chaired by Sir Alan Budd and published its *Gambling Review Report* in July 2001³, which was also a public consultation exercise. The report contained 176 recommendations for changes to gambling law and regulations. The Government published its response to the report in March 2002 in the White Paper, *A Safe Bet for Success*⁴. The paper accepted 157 of the Review Body's recommendations; 10 were felt to require further consideration, and 9 were rejected. The White Paper expressed dissatisfaction with the present gambling laws and made the following main reform proposals:

- ◆ The establishment of a single regulator for all gambling operators
- ◆ Local authorities to licence all gambling premises
- ◆ Abolition of demand tests for casinos, bingo clubs and betting offices and permitted areas restrictions for casinos
- ◆ On-line gambling to be licensed
- ◆ Abolition of the rule requiring membership of a casino or bingo club at least 24 hours before playing
- ◆ Casinos to be allowed to offer any form of legal gambling – including betting and bingo, and have linked gaming machines with unlimited prizes
- ◆ Casinos to be able to offer live entertainment and serve alcohol on the gaming floor
- ◆ Relaxation of advertising restrictions on gambling, subject to a new Code of Practice
- ◆ A new licensing framework for gaming machines – amusement machines to be of use by anybody, including children, gaming machines to be for adults only, and confined to spaces where access can be effectively controlled
- ◆ Bingo clubs, betting offices and adult gaming centres to be allowed to mix jackpot and other types of gaming machines, while members' clubs retain current entitlement to jackpot machines
- ◆ Recognition of the special nature of the National Lottery, with no side betting to be allowed on National Lottery results and the retention of certain limits on society lottery sales and prizes – the latter to be doubled rather than abolished

The White Paper also proposed the following safeguards:

- ◆ 'Fit and proper' tests for all commercial gambling operators
- ◆ New powers for the Gambling Commission to combat criminality, tackle illegal gambling and enforce licensing provisions
- ◆ Stricter controls on access by children to places where gambling takes place, especially gaming machines; signposting and effective supervision to be standard licensing conditions
- ◆ An industry-funded gambling trust to support problem gambling prevention and treatment programmes, with an initial budget of £3million; the Government will also take reserve powers to compel licensed operators to pay
- ◆ The Gambling Commission will issue statutorily-enforceable codes of social responsibility to all gambling operators

3.2 The Draft Gambling Bill

The *Draft Gambling Bill* was published in a series of stages from July 2003 to March 2004. The draft Bill contained over 250 clauses and was based on three key principles:

- ◆ The system of gambling law and regulation must keep the gambling industry free of crime

³ http://www.culture.gov.uk/global/publications/archive_2001/gamb_rev_report.htm

⁴ http://www.culture.gov.uk/global/publications/archive_2002/safe_bet_for_success.htm

- ◆ The law must ensure that gambling is conducted fairly
- ◆ There must be effective protection for children and the vulnerable⁵

A joint committee of both Houses of Parliament was established in July 2003 to submit the draft Bill to pre-legislative scrutiny. The Committee published its report on 7 April 2004.⁶ The report made 139 recommendations, 121 of which were accepted by the Government, including the following:

- ◆ Banning of fruit machines from unlicensed premises such as minicab offices and takeaways, leading to the removal of machines from around 6,000 premises which children would otherwise be able to play
- ◆ Creating a new third category of largest 'Regional' casinos on top of the existing categories of 'Small' and 'Large'
- ◆ Capping 'Las Vegas-style' unlimited prize slot machines at 1250 Regional casinos
- ◆ Preventing Small casinos from offering bingo

The Government also announced further proposals which went beyond the Committee's recommendations⁷, including:

- ◆ Gambling prevalence studies every three years to monitor problem gambling, to form the basis for evidence-based regulation by the Gambling Commission
- ◆ 'Las Vegas-style' slot machines to be permitted in the only the largest Regional Casinos
- ◆ Capping numbers of all machines in all casinos
- ◆ Compulsory non-gambling areas or 'chill out rooms' in all casinos
- ◆ Giving local authorities the powers to prevent new casinos opening up in their area
- ◆ Compulsory registration for all users of betting exchanges, not just professional users
- ◆ The Gambling Commission to produce codes of practice on social responsibility that every gambling operator will be required to comply with as a licence condition

3.3 The *Draft Gambling Bill* and the National Assembly

The Assembly's Culture, Sport and Welsh Language Committee was asked by the Joint Committee in November 2003 to give comments on the potential impact of the Bill on Wales. The Chair of the Committee replied to the Joint Committee in January 2004 and highlighted the following main concerns⁸:

- ◆ New laws might encourage those in deprived areas to spend more money on gambling
- ◆ Children will be allowed to play small prize machines
- ◆ No official representative for Wales on the Gambling Commission
- ◆ There could be an increase in gambling addiction.

A copy of the response is contained in Annex A.

⁵ Statement by Rt Hon Tessa Jowell MP, HC Deb 15 July 2003 c27-9ws

⁶ Report on the *Draft Gambling Bill* HL 63-I, HC 139-I 2003-04

⁷ Department for Culture, Media and Sport press release 067/04

http://www.culture.gov.uk/global/press_notices/archive_2004/dcms067_04.htm?properties=archive%5F2004%2C%2Fgamb ling%5Fand%5Ffracing%2Fquicklinks%2Fpress%5Fnotices%2Fdefault%2C&month=

⁸ Letter from the Chair of the Culture, Welsh Language and Sport Committee to the Joint Committee on the *Draft Gambling Bill* 5 February 2004

3.4 Joint Committee on the *Draft Gambling Bill* (Regional Casinos)

The Joint Committee on the *Draft Gambling Bill* (Regional Casinos) was established specifically to examine the Government's response to recommendations made concerning the definition, location and implications of the largest casinos. The Committee published its report on 22 July 2004.⁹ Some of the recommendations made, and the Government's responses are discussed further in Section 5.4.

4 The *Gambling Bill*

The *Gambling Bill*¹⁰ was introduced into the Commons on 18 October 2004 and carried over in to the 2004-05 parliamentary session. It was reintroduced on 24 November 2004.

The Bill applies to England, Wales and Scotland, but not generally to Northern Ireland. The Bill consolidates existing gambling legislation and sets out that gambling should be fair, free from crime and organised in a way that protects the vulnerable.

4.1 The Gambling Commission

Part 2 of the Bill deals with the establishment and powers of the Gambling Commission. The Bill sets up a three-pronged licensing system, which requires the licensing of operators, persons and premises. The Gambling Commission will be responsible for licensing gambling operators and personnel working in the gambling industry. Local authorities will license premises. The Commission will also have enforcement and prosecution powers.

The Commission will also be able to issue codes of conduct which can include codes concerning how operators can provide facilities in a socially responsible manner. The Bill makes it a licence condition for all operators that they comply with any relevant social responsibility provision of a code of practice.

The Commission is likely to be based outside of the South East of England.

4.2 Local authorities

Under the Bill, responsibility for licensing premises passes to local authorities. They will issue licences and permits authorising gaming and gaming machines in other premises and will also register certain lotteries. Licensing authorities in England and Wales will be able to co-ordinate their functions in relation to alcohol licensing and the licensing of gambling premises.¹¹

Part 8 of the Bill covers local authorities' functions and includes a clause which allows for functions to be delegated to the licensing committees established under the *Licensing Act 2003*. There are several functions which may not be delegated, the main one being that the local authority has the power to decide not to issue further casino premises licences in its area. Local people who live sufficiently close or who have business interests which might be adversely affected, will be able to object in writing to a premises licence application.

⁹ Report on *Draft Gambling Bill* (Regional Casinos) HL 146-I, HC 843-I 2003-04

¹⁰ *Gambling Bill 2004-05*

¹¹ *Gambling Bill* Explanatory Notes, p8



4.3 Gaming machines

The Bill allows the Secretary of State to make regulations defining four classes of gaming machine, to be known as Categories A, B, C and D with Category B subdivided into four. The table below shows how these categories have been divided under the Bill.¹²

Category	Maximum stake	Maximum prize	Location(s)	Maximum number Per premises
A	Unlimited	Unlimited	Regional casinos	1250
B1	£1	£2,000	All casinos	80 in small casinos; 150 in large casinos
B2	£100 per game; £15 per chip	£500	As above plus premises licensed for betting	4
B3	£1	£500	As above plus Bingo clubs and adult gaming centres	4
B4	£1	£250	As above plus Registered clubs and miners' welfare institutes	3
C	50p	£25	As above plus premises licensed for alcohol	2, but may apply for more to local authority
D	10p (30p when non-exchangeable prizes)	£5 (cash or non cash)	As above plus family entertainment centres and travelling fairs.	

There will be no Category D gaming machines permit for general, non-gambling premises such as fish and chip shops and minicab offices although they will still be permitted in pubs, clubs, tenpin bowling alleys, motorway service stations and other family entertainment centres.

Category A machines, offering unlimited payouts will be restricted to 'regional casinos' in an attempt to reduce the risk of problem gambling.

In granting a gaming machine technical operating licence, the Gambling Commission will be able to set standards for the manufacture and installation of machines. The Commission will be able to impose licence conditions on machine manufacturing licences which will ensure speed of play standards are enforceable via the manufacturing licence.

4.4 Casinos

The Bill outlines three categories of casino: regional, large and small. A regional casino will have the largest floor space requirements. The table overleaf shows the specifications of each category of casino, as set out in the Government response to the report of the Joint Committee on the *Draft Gambling Bill*.¹³

¹² Taken from *Gambling Bill Regulatory Impact Assessment*, p23

¹³ *Government Response to the First Report of the Joint Committee on the Draft Gambling Bill*, p29



Licence category	Min table gaming area (child free)	Min additional gambling area (child free)	Min non gambling area	Min total customer Area	Min no of gaming tables	Categories of gaming machines Permitted	Machine / table ratio	Bingo	Betting
Small	500m ²	0	250m ²	750m ²	1	Up to B	2:1 (Cap 80)	N	Y
Large	1000m ²	0	500m ²	1500m ²	1	Up to B	5:1 (Cap 150)	Y	Y
Regional	1000m ²	2500m ²	1500m ²	5000m ²	40	Up to A	25:1 (Cap1250)	Y	Y

As mentioned in section 3.4, the Joint Committee on the *Draft Gambling Bill* (Regional Casinos) was established specifically to examine the Government's response to recommendations made concerning the definition, location and implications of the largest casinos. The Committee felt that the decision to restrict Category A machines to regional casinos could encourage too many of those casinos to be built. The Committee also felt that the minimum size threshold should be not less than 7,500 sq m, and should include a non-gambling area of at least 4,000 sq m.

The Government rejected the recommendation relating to the non-gambling area as it felt that this would '*add regulatory burden without any increase in protection for the vulnerable*'.¹⁴ The Government also felt that increasing the minimum non-gambling area would not contribute to restricting the numbers of casinos being built. Despite carrying out a further review of the classification of casinos, the Government decided to stick with its original position that Category A machines should be confined to the largest casinos.

The Bill repeals the *Gaming Act 1968* and removes certain restrictions laid down in the Act. Casinos will no longer operate as members only clubs and the rule that required that, after initially joining, a member must wait 24 hours before placing their first bet has been removed.

The Joint Committee examined the potential of new casinos to regenerate communities and was unsure as to whether there were any potential regeneration benefits. The Government disagreed in its response, arguing that it was for Regional Planning Bodies, and not central government, to identify suitable locations which could benefit from development.¹⁵

The Bill also covers the advertising of gambling facilities and allows the Secretary of State in Regulations to set the detail of how a casino may advertise, in regulations.

4.5 Bingo

The Bill deregulates the bingo industry by abolishing the requirement for bingo clubs to operate as members' clubs and removing the limits on prizes for linked and multiple bingo which holders of standard operating licences will be able to offer. Bingo premises and casinos licensed to provide bingo will also be permitted to operate bingo rollovers, where money from players' stakes in one bingo game can be added to the prize pool in another.

¹⁴ Ibid, p2

¹⁵ Ibid p31



This will not be permitted in pubs, clubs or other areas. The Bill also gives the Secretary of State the power to make regulations attaching conditions to all bingo operating licences.

The Joint Committee on the *Draft Gambling Bill* was concerned about the potential consequences of all casinos being able to offer bingo and felt that guidance issued by the Gambling Commission to local authorities should make it clear that local authorities should be able to take account of potential problem gambling implications of merging 'soft' and 'hard' forms of gambling when deciding whether or not to grant a casino premises licence.¹⁶ The Government responded by indicating that it intends, in the first instance, to allow only 'large' and 'regional' casinos to offer bingo, and that the licensing authorities would not be best placed to assess the risks involved in mixing different types of gambling. The Government also stated that restrictions in relation to 'small' casinos and bingo would only be removed if it could be proved that mixing different types of gambling would not put vulnerable consumers at risk.¹⁷

The Joint Committee also recommended that pubs and clubs should have to apply to the Gambling Commission for an additional bingo licence if in any period of seven days stakes or prizes have totalled £2,000 or more. The Government however, felt that the £1,000 per week recommended by the Budd Review was a more appropriate figure.¹⁸

4.6 Lotteries

Part 11 of the Bill deals with lotteries. The Bill repeals the *Lotteries and Amusements Act 1976* and does not cover the National Lottery. The Bill will make it a specific offence to promote lotteries without a licence, unless the lottery falls within one of a limited number of exempt categories (including incidental non-commercial lotteries and private lotteries). Under the Bill, lottery operating licences may only be issued to non-commercial societies, local authorities or 'external lottery managers'. A non-commercial society will only require a licence if the lottery exceeds certain thresholds, although it will have to register with its local authority.

Both the *Gambling Review Report* and the Joint Committee felt that financial limits on lotteries should be removed, and so the Government has included a delegated power in the Bill which allows the Secretary of State to vary the amounts and percentages set out in the Bill. Currently, at least 20% of the proceeds of any lottery promoted under the licence must go to good causes. Under any lottery operating licence, the proceeds of any single lottery must be limited to £2 million, and the proceeds of all lotteries in that year are restricted to an upper limit of £10 million. There is an upper limit on the size of a prize in a licensed lottery of £25,000 or 10% of the proceeds if this figure is greater.

4.7 Online gambling

Under current law, online gambling can only take place on websites hosted outside of the UK. In April 2003, the Department for Culture, Media and Sport issued a position paper outlining proposals for regulating a legalised onshore remote gambling industry including a role for the Gambling Commission, licensing, player protection, safeguards for the vulnerable, systems and software, player identification, taxation, advertising and remote gambling in non-licensed public premises.¹⁹

¹⁶ *Report of the Joint Committee on the Draft Gambling Bill*, p120

¹⁷ *Government Response to the First Report of the Joint Committee on the Draft Gambling Bill*, pp33-34

¹⁸ *Ibid*, p34

¹⁹ Department for Culture, Media and Sport, *The future regulation of remote gambling: a DCMS position paper*, April 2003 http://www.culture.gov.uk/global/publications/archive_2003/gamb_position_paper.htm?properties=archive%5F2003%2C%2Fgambling%5Fand%5Ffracing%2FQuickLinks%2Fpublications%2Fdefault%2C&month=

The *Gambling Bill* creates a new class of 'remote operating licence', which allows the website to be based in Great Britain and licensed by the Gambling Commission. The Joint Committee on the *Draft Gambling Bill* recommended that the Gambling Commission develop codes of practice to prevent under-age access to these websites and, in response, the Government has proposed compulsory age checks and 'mystery shopper' surveys. The Bill allows the Gambling Commission to set standards concerning remote gambling processes and systems which can be subject to independent testing. The Bill also allows the Commission to attach conditions to licences which require on-line operators to provide facilities in accordance with the requirements of the Commission. The Commission will also be able to review licences, and carry out its own inspections and checks to ensure that conditions are being complied with.

4.8 Betting exchanges

Betting exchanges enable consumers to bet directly with each other, rather than with bookmakers. The operator matches opposite bets and takes a commission from the winner.²⁰ The recommendations by the Joint Committee that the non-recreational use of betting exchanges should be regulated and exchanges should register users who offer bets above a certain level were accepted by the Government with the further proposal to register all exchange users.²¹

As the Bill stands, the betting intermediary operating licence does not have any particular statutory conditions attached to it. The Bill allows for conditions to be attached and these can be set by the Commission or imposed by the Secretary of State.

4.9 Protection of children

Part 4 of the Bill creates a number of criminal offences which establish the extent to which children and young people may become involved in gambling. The Bill creates new offences of inviting children and young people to gamble and inviting them to enter gambling premises. It will also be an offence for a young person aged 16 and 17 to gamble. The Bill also gives the Secretary of State the power to create an offence of inviting, causing or permitting a child or young person below a specified age limit to use a Category D gaming machine. The removal of gaming machines in premises such as minicab offices and fish and chip shops is also aimed at protecting children and young people.

4.10 Problem gambling

The Joint Committee considered the issue of problem gambling and felt that the draft Bill could lead to an increase in problem gambling. The Government however, felt that this would not be the case.

The Bill provides for a reserve power to be exercised if it is proved necessary to raise additional funding for tackling problem gambling. The Bill provides the Secretary of State with reserve powers to impose an annual financial levy on the holders of all operating licences. If imposed, the levy would be paid to the Gambling Commission and treated as if it were part of the annual fee. This would mean that a licence would be revocable if the levy were not paid.

²⁰ Definition contained in House of Commons Research Paper 04/79 *The Gambling Bill*

²¹ *Government Response to the First Report of the Joint Committee on the Draft Gambling Bill*, p37



The Commission could use the money from the levy, with the consent of the Treasury and Secretary of State, to fund projects related to gambling addiction or other forms of harm or exploitation associated with gambling.

The Bill also allows the Gambling Commission to issue codes of practice about the manner in which gambling services are provided. These codes can include a requirement that gambling operators demonstrate compliance with a code of social responsibility. They might also include the provision of information to customers about problem gambling and advice on how to get help.²²

The Joint Committee recommended that the Government fund five-yearly prevalence studies to monitor any increases in gambling. The Government accepted this but proposed to conduct studies every two to three years as a basis for evidence-based regulation by the Gambling Commission.²³

5 The *Gambling Bill* in Wales

The Bill contains no provisions that apply exclusively to Wales, or that affect the National Assembly. It does, however, establish new bodies that might be considered for inclusion in future legislation made by the Assembly under the *Welsh Language Act 1993*.

Sources

House of Commons Research Paper 04/79 *The Gambling Bill*
Introduction to the Gaming Act
Gambling Review Report

²² *A safe bet for success – modernising Britain's gambling laws*

²³ *Government Response to the First Report of the Joint Committee on the Draft Gambling Bill*, p 17

Members' Research Service: Research Paper
Gwasanaeth Ymchwil yr Aelodau: Papur Ymchwil



Cynulliad National
Cenedlaethol Assembly for
Cymru Wales

A Safe Bet for Success – Modernising Britain's Gambling Laws

Draft Gambling Bill

Department for Culture, Media and Sport press release 067/04

First Report of the Joint Committee on the Draft Gambling Bill and the Government response to the report

Gambling Bill Regulatory Impact Assessment

The future regulation of remote gambling – a DCMS position paper

Letter from the Chair of the Culture, Welsh Language and Sport Committee to the Joint Committee on the
Draft gambling Bill

**A Letter from the Chair of the Culture, Welsh Language and Sport Committee
to the Joint Committee on the Draft Gambling Bill**

***CULTURE, WELSH LANGUAGE
AND SPORT COMMITTEE***

**PWYLLGOR DIWYLLIANT,
Y GYMRAEG A CHWARAEON**

John Greenway MP,
Chairman,
Joint Committee on the Draft Gambling
Bill.

Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA

5 February 2004

Dear Mr Greenway,

JOINT COMMITTEE ON THE DRAFT GAMBLING BILL

I am writing to thank you on behalf of the Culture, Welsh Language and Sport Committee, for the opportunity to provide comment on the Draft Gambling Bill.

The Committee welcome the tighter restrictions on children's access to gambling.

The Bill was discussed at our formal meeting on 21st January 2004. The Members made the following comments:

Concerns regarding the new legislation

Concern has been raised that:

- ❖ The new laws will open up the market and encourage those in deprived areas to spend more money.
- ❖ There is no official representative for Wales on the Gambling Commission
- ❖ There is potential for Las Vegas style casinos to be established in the UK. A Member informed the Committee that Blackpool has already announced plans to establish such a venue.
- ❖ Children will be allowed to play small prize machines.
- ❖ Those with gambling problems will now be able to gamble using their credit card, increasing their debts and having a knock-on effect on family life.
- ❖ There is to be a relaxation on gambling advertising.
- ❖ There is potential for a decrease in lottery jackpots due to the availability of other gambling mechanisms.

Further information required

The Committee wishes to know:



- ❖ Whether there will be any changes made to the planning laws in light of the potential for large Las Vegas style casinos.
- ❖ How the proposed provision, enabling patrons to bar themselves from gambling establishments, would work in practice.
- ❖ Whether additional funding will be given to local authorities in respect of enforcing tighter controls on children's access to gambling and the additional responsibility for licensing.
- ❖ Whether there will be measures in place to educate children as to the dangers of gambling.
- ❖ Whether casinos which are now able to provide live entertainment will need to apply for a licence to do so, under the Licensing Act.
- ❖ Why licensing is being transferred from the magistrates court to the local authority.

One of the main concerns raised by Members was that there will be no official representative of Wales on the Gambling Commission.

The Committee also felt that the provision to prevent gambling establishments being located near schools should be widened to include "youth projects/establishments".

I trust that these comments will be considered as part of your review.

Yours sincerely,

Rosemary Butler A.M
Chair, Culture, Welsh Language and Sport Committee