

## COMBINED OPERATING LICENCE

Number: 000-043695-N-323074-001

**This licence, issued under Part 5 of the Gambling Act 2005 on  
12 January 2016**

**is valid from<sup>1</sup> 12 January 2016**

### Part 1

This operating licence<sup>2</sup> is issued to:

**Golden Slots (Southern) Limited**  
trading as Golden Slots  
of  
1 East Street  
HAVANT  
PO9 1AA

### **This Licence authorises the Licensee to carry out the following activities:**

to provide facilities for playing bingo; to make gaming machines available for use in an adult gaming centre; to make gaming machines available for use in a family entertainment centre; to supply, install, adapt, maintain or repair (but not manufacture) a gaming machine or part of a gaming machine

Signed on behalf of the Gambling Commission



Programme Director

<sup>1</sup> Note: Licences may be surrendered, lapse, be forfeit or be revoked in accordance with sections 113, 114, 115, 118 or 119 of the Act. Under section 111 of the Act the Commission may determine that licences, or licences of a specified class, shall cease to have effect at the end of a specified period

<sup>2</sup> which is not a remote licence

## **This Licence is subject to the following conditions:**

- The specific conditions attached to this licence by the Commission by virtue of section 77 of the Act, which are set out below
- the statutory conditions attached by virtue of the Act: these are set out in the enclosed documents
- the general conditions imposed by the Commission by virtue of section 75 of the Act, which are set out in the enclosed documents
- the general conditions imposed by the Secretary of State by virtue of section 78 of the Act which are set out in the enclosed documents

## **Part 2 Commission Specific Conditions**

### **Conditions specific to providing facilities for playing bingo**

This licence is subject to the condition that the licensee may provide facilities for the playing of bingo on no more than 4 sets of premises in respect of which a premises licence has effect.

### **Conditions specific to making gaming machines available for use in an adult gaming centre**

This licence is subject to the condition that the licensee may not provide facilities for gambling in more than 4 premises in respect of which a premises licence has effect.

### **Conditions specific to making gaming machines available for use in a family entertainment centre**

This licence is subject to the condition that the licensee may not provide facilities for gambling in more than 4 premises in respect of which a premises licence has effect.

### **Conditions specific to supplying, installing, adapting, maintaining or repairing (but not manufacturing) a gaming machine or a part of a gaming machine**

This licence is subject to the condition that the value of the licensee's annual gross sales is less than £550,000.

## **Schedule X**

The following persons have been notified to the Commission as holding qualifying positions:

**Mark Glen Lovell**

**Simon Kevin John Reeves**

**Terry Elizabeth Susie Stromeyer**



# GAMBLING COMMISSION

**Conditions and codes of practice  
applicable to  
Gaming machine general: Adult gaming centre  
licences  
Gaming machine general: Family entertainment centre  
licences**

Including sector-specific extract of  
LCCP February 2015 (updated April 2015)

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# General introduction

1 This document sets out the Gambling Commission's general licence conditions and associated code of practice provisions (LCCP) under the Gambling Act 2005 (the Act) which are applicable to the specified sector(s).

2 The LCCP document sets out:

- |                             |   |
|-----------------------------|---|
| <b>Part I:</b> (in black)   | statutory conditions attached by virtue of the Act  |
| <b>Part II:</b> (in orange) | the suite of general conditions attached to operating licences  |
| <b>Part III:</b> (in blue)  | the principal code of practice, distinguishing between 'social responsibility' provisions and 'ordinary' provisions (the social responsibility provisions are in shaded boxes within the text). |

3 An [index](#) to the provisions is provided at the end of this document, and if using an electronic version of this document, links are provided from both the contents and index pages to aid navigation.

4 Copies of LCCP can be obtained from the Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by writing to:

Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP  
T 0121 230 6666  
F 0121 230 6720  
E [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

5 The conditions and codes of practice contained within this document include the extract of consolidated LCCP February 2015 which is applicable to the specified sector(s). As a result, the numbering of conditions or codes of practice may not follow sequentially. The Commission's consolidated LCCP document, containing the conditions and codes of practice for all sectors is available on the website. Further information about the history of LCCP (such as the results of completed consultations) and potential future amendments to LCCP can also be found on the website.

6 The sector-specific extract of LCCP (Parts II and III) come into force on **Friday 8 May 2015**. There are some exceptions to this date. The exceptional in-force dates are as follows:

- **Expected October 2015:** licence condition 7.1.1B will come into force on the date relevant provisions of the Consumer Rights Act 2015 are brought into force.
- **6 April 2016:**
  - social responsibility code provision 3.5.6, relating to non-remote multi-operator self-exclusion
  - social responsibility code provision 10.1.1, relating to the assessment of local risk
  - ordinary code provision 10.1.2, relating to sharing local risk assessments.

7 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.

# Part I: Statutory conditions attached by virtue of the Act

## Social responsibility

This licence is subject to a condition that the licensee ensures compliance with any relevant social responsibility provision of a code of practice issued by the Commission. The social responsibility provisions that are relevant to the activities authorised by this licence are set out in the section entitled Codes of Practice (Part III).

**(Sections 24 and 82(1) Gambling Act 2005)**

## Return of stakes to children: AGC

### **The following condition applies to gaming machine general: adult gaming centre operating licences only**

This licence is subject to a condition that if the licensee (or anyone employed by the licensee to perform an operational function within the meaning of section 80 of the Act) becomes aware that a child or young person is using or has used facilities for gambling provided in reliance on the licence, the licensee:

- (a) must return any money paid in respect of the use of those facilities (whether by way of fee, stake or otherwise) by the child or young person as soon as is reasonably practicable; and
- (b) may not give a prize to the child or young person.

This condition does not apply to use of a Category D gaming machine.

**(Section 83(1))**

## Return of stakes to children: FEC

### **The following condition applies to gaming machine general: family entertainment centre operating licences only**

This licence is subject to a condition that if the licensee (or anyone employed by the licensee to perform an operational function within the meaning of section 80 of the Act) becomes aware that a child or young person is using or has used facilities for gambling provided in reliance on the licence, the licensee:

- (a) must return any money paid in respect of the use of those facilities (whether by way of fee, stake or otherwise) by the child or young person as soon as is reasonably practicable; and
- (b) may not give a prize to the child or young person.

This condition does not apply to use of a Category D gaming machine, or equal chance gaming.

**(Section 83(1))**

## Part II: Suite of general conditions attached to operating licences under Section 75 of the Gambling Act 2005 (the Act)

### 1 Qualified persons and personal licences

#### 1.1 Qualified persons

##### Licence condition 1.1.1

##### Qualified persons – qualifying position

All operating licences, except ancillary remote licences, issued to small-scale operators

- 1 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.
- 2 Schedule X<sup>1</sup> lists those individuals notified to the Commission as qualified persons.
- 3 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 section 104(1)(b) of the Act for amendment of the details of the licence set out in Schedule X<sup>1</sup>.
- 4 An application for amendment under section 104(1)(b) of the Act 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.
- 5 In this condition ‘qualified person’ has the same meaning as in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

<sup>1</sup> The schedules mentioned here will be attached to individual licences.

#### 1.2 Personal licences

##### Licence condition 1.2.1

##### Specified management offices – personal management licences

All casino, bingo, general and pool betting, betting intermediary, gaming machine general, gaming machine technical, gambling software and lottery managers licences, except ancillary remote licences

- 1 Subject to 6 and 7 below, licensees must ensure:
  - a that each individual who occupies one of the management offices specified in 2 below 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
  - b that at least one person occupies at least one of those offices.
- 2 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:
  - a the overall management and direction of the licensee’s business or affairs

- b** the licensee's finance function as head of that function
  - c** the licensee's gambling regulatory compliance function as head of that function
  - d** the licensee's marketing function as head of that function
  - e** the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software
  - f** 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
  - g** in the case of casino and bingo licences only, oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.
- 3** The person responsible for the licensee's gambling regulatory compliance function as head of that function shall not, except with the Commission's express approval, occupy any other specified management office.
  - 4** 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.
  - 5** 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.
  - 6** Paragraphs **1** to **5** 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').
  - 7** During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs **1** to **6** above shall apply subject to the proviso that the phrase 'each individual' in paragraph **1a** 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.

## 4 Protection of customer funds

### 4.2 Disclosure to customers

#### **Licence condition 4.2.1**

##### **Disclosure to customers**

**All operating licences, except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino licences**

- 1** Licensees who hold customer funds must set out clearly in the terms and conditions under which they provide facilities for gambling information about whether customer funds are protected in the event of insolvency, the level of such protection and the method by which this is achieved.
- 2** Such information must be according to such rating system and in such form the Commission may from time to time specify. It must be provided in writing to each customer, in a manner which requires the customer to acknowledge receipt of the information and does not permit the customer to utilise the funds for gambling until they have done so, both on the first occasion on which the customer deposits funds and on the occasion of any subsequent deposit which is the first since a change in the licensee's terms in relation to protection of such funds.
- 3** In this condition 'customer funds' means the aggregate value of funds held to the credit of

customers including, without limitation:

- a** cleared funds deposited with the licensee by customers to provide stakes in, or to meet participation fees in respect of, future gambling,
- b** winnings or prizes which the customer has chosen to leave on deposit with the licensee or for which the licensee has yet to account to the customer, and
- c** any crystallised but as yet unpaid loyalty or other bonuses, in each case irrespective of whether the licensee is a party to the gambling contract.

## 5 Cash handling and payment methods and services

### 5.1 Payment services

#### Licence condition 5.1.1

##### Cash handling

**All operating licences (including remote betting intermediary (trading rooms only) licences), except gaming machine technical, gambling software and remote licences**

- 1** Licensees, as part of their internal controls and financial accounting systems, must have and put into effect 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

### 6.1 Provision of credit

#### Licence condition 6.1.1

##### Provision of credit

**All gaming machine general operating licences for adult gaming centres and family entertainment centres**

- 1** Licensees must neither:
  - a** provide credit themselves in connection with gambling; nor
  - b** participate in, arrange, permit or knowingly facilitate the giving of credit in connection with gambling.

## 7 General 'fair and open' provisions

### 7.1 Compliance with terms

#### Licence condition 7.1.1A

##### Compliance with terms

**All operating licences except gaming machine technical and gambling software licences**

***This condition will remain in force unless and until replaced by 7.1.1B***

- 1 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 and must comply with those terms.
- 2 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.
- 3 Customers must be notified of material changes to terms before they come into effect.

#### **Licence condition 7.1.1B**

##### **Compliance with terms (consumer rights)**

##### **All operating licences except gaming machine technical and gambling software licences**

***This condition will come into force on the date relevant provisions of the Consumer Rights Act 2015 are brought into force***

- 1 Licensees must satisfy themselves that none of the terms on which gambling is offered are unfair terms within the meaning of the Consumer Rights Act 2015 and must comply with those terms.
- 2 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.
- 3 Customers must be notified of material changes to terms before they come into effect.

## **14 Access to premises**

### **14.1 Access to premises**

#### **Licence condition 14.1.1**

##### **Access to premises**

##### **All operating licences**

- 1 Licensees must have and put into effect 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**

#### **Licence condition 15.1.1**

##### **Reporting suspicion of offences etc - non-betting licences**

##### **All operating licences except betting, betting intermediary, ancillary remote betting and remote betting intermediary (trading rooms only) licences**

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure

that the Commission is provided with any information that they know relates to or 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.

## 15.2 Reporting key events and other reportable events

### Licence condition 15.2.1

#### Reporting key events

##### All operating licences

A key event is an event that could have a significant impact on the nature or structure of a licensee's business. Licensees must notify the Commission, or ensure the Commission is notified, in such form or manner as the Commission may from time to time specify, of the occurrence of any of the following key events as soon as reasonably practicable and in any event within five working days of the licensee becoming aware of the event's occurrence<sup>1</sup>.

##### Operator status

- 1 In the case of licensees which are companies, a petition being presented for their winding up or the winding up of any group company of theirs, or they or any group company being placed in administration or receivership or their directors proposing to creditors a composition in satisfaction of its debts or a scheme of arrangement of its affairs.
- 2 In the case of licensees which are bodies corporate, but not companies, any event substantially equivalent to those listed at 1 above.
- 3 In the case of a licensee who is an individual (or a partner in a partnership licensee) their being presented with a petition for their bankruptcy or sequestration or their entering into an individual voluntary arrangement.

##### Relevant persons and positions

- 4 In the case of licensees who are companies or other bodies corporate having a share capital, the name and address of any person who (whether or not already a shareholder or member) becomes a shareholder or member holding 3% or more of the issued share capital of the licensee or its holding company.
- 5 Any investment in a licensee which is not by way of subscription for shares.
- 6 The taking of any loan by the licensee, or by a group company who then makes an equivalent loan to the licensee, from any person not authorised by the Financial Conduct Authority: a copy of the loan agreement must be supplied.
- 7 The entering into an arrangement whereby a third party provides services to, or grants any licence concession or permission to, the licensee other than for full value: full details of the arrangements must be supplied.
- 8 The appointment of a person to, or a person ceasing to occupy, a 'key position': a 'key position' in relation to a licensee is:
  - a in the case of a small-scale operator, a 'qualifying position' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006
  - b in the case of an operator which is not a small-scale operator, a 'specified management office' as set out in (current) LCCP licence condition 1.2
  - c a position the holder of which is responsible for the licensee's anti-money laundering procedures, including suspicious activity reporting
  - d any other position for the time being designated by the Commission as a 'key position'. (Notification is required whether or not the person concerned is required to hold a personal management licence and whether or not the event notified requires the licensee to apply for a variation to amend a detail of their licence.)
- 9 Any change to the structure or organisation of the licensee's business which affects a 'key position' or the responsibilities of its holder.

##### Financial events

- 10 Any material change in the licensee's banking arrangements, in particular the termination

of such arrangements or a particular facility and whether by the licensee or the provider of the arrangements.

- 11 Any breach of a covenant given to a bank or other lender.
- 12 Any default by the licensee or, where the licensee is a body corporate, by a group company in making repayment of the whole or any part of a loan on its due date.
- 13 Any court judgments (in whatever jurisdiction) against the licensee or, where the licensee is a body corporate, a group company, remaining unpaid 14 days after the date of judgment.
- 14 Where the licensee is required to have their accounts independently audited, any qualification to an auditors' report; and any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an unqualified audit report.
- 15 Any change in the licensee's arrangements for the protection of customer funds in accordance with the general licence condition 4 relating to the protection of customer funds (where applicable).
- 16 Where the licensee holds customer funds in a separate bank account, any deficit on reconciliation of such bank account.
- 17 Any change in the licensee's arrangements as to the methods by which, and/or the payment processors through which, the licensee accepts payment from customers using their gambling facilities (this key event applies to remote casino, bingo and betting operating licences, except ancillary and remote betting intermediary (trading room only) licences).

#### **Legal or regulatory proceedings or reports**

- 18 The grant, withdrawal or refusal of any application for a licence or other permission made by the licensee, or in the case of a licensee which is a body corporate, any group company of theirs, to a gambling regulator in another jurisdiction. In the case of a withdrawal or refusal of the application, the licensee must also notify the reasons for such withdrawal or refusal. (This condition does not apply to applications for licences or other permissions to carry on activities which would fall outside the scope of a Gambling Commission operating licence if carried out in Britain or with customers in Great Britain.)
- 19 Any investigation by a professional, statutory, regulatory or government body (in whatever jurisdiction) into the licensee's activities, or the activities in relation to the licensed entity of a personal licence holder or a person occupying a qualifying position employed by them, where such an investigation could result in the imposition of a sanction or penalty which, if imposed, could reasonably be expected to raise doubts about the licensee's continued suitability to hold a Gambling Commission licence.
- 20 The receipt of any report from a professional, statutory or other regulatory or government body (in whatever jurisdiction) of the outcome of a compliance assessment in relation to the gambling activity of the licensee or, where the licensee is a body corporate, of any group company in which at least one person who holds a key position in or in respect of the licensee holds a key position: a copy of the report should be provided where available to the licensee.
- 21 The referral to the licensee's Board, or persons performing the function of an audit or risk committee, of material concerns raised by a third party (such as an auditor) about the provision of facilities for gambling which are expressed (in whatever terms) as requiring attention as a high priority: a summary of the nature of the concerns must be provided.
- 22 The imposition by the licensee of a disciplinary sanction, including dismissal, against the holder of a personal licence or a person occupying a qualifying position for gross misconduct; or the resignation of a personal licence holder or person occupying a qualifying position following commencement of disciplinary proceedings in respect of gross misconduct against that person.
- 23 The commencement (in whatever jurisdiction) of any material litigation against the licensee or, where the licensee is a body corporate, a group company: the licensee must also notify the outcome of such litigation.
- 24 The making of a disclosure pursuant to section 330, 331, 332 or 338 of the Proceeds of Crime Act 2002 or section 19, 20, 21, 21ZA, 21ZB or 21A of the Terrorism Act 2000 (a suspicious activity report): the licensee should inform the Commission of the unique reference number issued by the United Kingdom Financial Intelligence Unit of the National Crime Agency in respect of each disclosure and for the purposes of this key

event the five working day period referred to above runs from the licensee's receipt of the unique reference number.

### **Gambling facilities**

- 25** Any breach in the licensee's information security that adversely affects the confidentiality of customer data or prevents customers from accessing their accounts for longer than 24 hours.
- 26** Any change in the identity of the ADR entity or entities for the handling of customer disputes, as required by the social responsibility code provision on complaints and disputes.
- 27** The reference of a dispute to an ADR entity other than one in respect of which contact details were given in accordance with the social responsibility code provision on complaints and disputes; the reason for selection of that ADR entity should be given.
- 28** In the case of remote gambling, the commencement or cessation of trading on website domains (*including mobile sites or mobile device applications*) or broadcast media through which the licensee provides gambling facilities.

In this condition:

'body corporate' has the meaning ascribed to that term by section 1173 of the Companies Act 2006 or any statutory modification or re-enactment thereof

- a** in respect of a company, 'holding company' and 'subsidiary' have the meaning ascribed to that term by section 1159 of the Companies Act 2006 or any statutory modification or re-enactment thereof
- b** a 'group company' is any subsidiary or holding company of the licensee and any subsidiary of such holding company.

<sup>1</sup> Key events can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)  
Alternatively, for operators unable to access this system, you can report a key event by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

## **Licence condition 15.2.2**

### **Other reportable events**

#### **All operating licences**

- 1** Licensees must also notify the Commission in such form or manner as the Commission may from time to time specify, or ensure that the Commission is so notified, as soon as reasonably practicable of the occurrence of any of the following events<sup>1</sup>:
  - a** the conclusion of a dispute referred to an ADR entity and in such case providing the Commission with a copy of the decision or note of the outcome<sup>2</sup>.
  - b** any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.
  - c** their becoming aware that a group company which is not a Commission licensee is advertising remote gambling facilities to those residing in a jurisdiction in or to which it has not previously advertised.

In this condition:

- a** 'group company' has the same meaning as in condition 15.2.1; and
- b** without prejudice to section 327 of the Act, 'advertising' includes: having a home page directed towards a jurisdiction and written in, or in one of, that jurisdiction's official language(s), having arrangements enabling that jurisdiction's currency to be selected for gambling or the use of payment methods available only in that jurisdiction, and providing a specific customer service facility referable to that jurisdiction.

<sup>1</sup> Events required to be notified to the Commission by 15.2.1 or 15.2.2 may be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> In respect of the referral of disputes to an ADR entity the licensee's attention is drawn to social responsibility code provision 6.

## 15.3 General and regulatory returns

### Licence condition 15.3.1 General and regulatory Returns All operating licences

- 1** 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:
  - a** the numbers of people making use of the facilities and the frequency of such use
  - b** the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them
  - c** the licensee's policies in relation to, and experiences of, problem gambling.
- 2** In particular within 28 days of the end of each quarterly period or, for those only submitting annual returns, within 42 days of the end of each annual period, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require<sup>1</sup>.

<sup>1</sup>Regulatory returns can be submitted securely online at the Commission's website through our eServices system available at [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

For operators unable to access this system, the forms and a guide to completing them can be requested from the Commission and returned by email to: [Regulatory>Returns@gamblingcommission.gov.uk](mailto:Regulatory>Returns@gamblingcommission.gov.uk) or by post to Licensing, Gambling Commission, Victoria Square House, Victoria Square, Birmingham, B2 4BP

## Part III: Code of practice

### Introduction

This is the Commission's principal code of practice, issued under section 24 of the Gambling Act 2005.

There are two types of code provisions in this document:

- social responsibility code provisions: compliance with these is a condition of licences; therefore any breach of them by an operator may lead the Commission to review the operator's licence with a view to suspension, revocation or the imposition of a financial penalty and would also expose the operator to the risk of prosecution; these provisions are set out in shaded boxes
- ordinary code provisions: these do not have the status of operator licence conditions but set out good practice. Operators may adopt alternative approaches to those set out in ordinary code provisions if they have actively taken account of the ordinary code provision and can demonstrate that an alternative approach is reasonable in the operator's particular circumstances; or that to take an alternative approach would be acting in a similarly effective manner. Ordinary codes of practice are admissible in evidence in criminal or civil proceedings and must be taken into account in any case in which the court or tribunal think them relevant, and by the Commission in the exercise of its functions; any departure from ordinary code provisions by an operator may be taken into account by the Commission on a licence review, but cannot lead to imposition of a financial penalty; these code provisions are in the unshaded boxes in this section.

## Code provisions

### 1 General

#### 1.1 Cooperation and responsibility for third parties

**Ordinary Code Provision 1.1.1**  
**Cooperation with the Commission**  
**All licences**

- 1 As made plain in its *Statement of principles for licensing and regulation*, the Commission expects licensees to conduct their gambling operations in a way that does not put the licensing objectives at risk, to work with the Commission in an open and cooperative way and to disclose anything which the Commission would reasonably need to be aware of in exercising its regulatory functions. This includes, in particular, anything that is likely to have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly. Licensees should have this principle in mind in their approach to, and when considering their compliance with, their obligations under the conditions attached to their licence and in relation to the following provisions of this code.

**Social responsibility code provision 1.1.2**  
**Responsibility for third parties – all licences**  
**All licences**

- 1 Licensees must take responsibility for third parties with whom they contract for the provision of any aspect of the licensee's business related to the licensed activities and ensure that the terms on which they contract with such third parties:
  - a require the third party to conduct themselves in so far as they carry out activities on behalf of the licensee as if they were bound by the same licence conditions and subject to the same codes of practice as the licensee
  - b oblige the third party to provide such information to the licensee as they may reasonably require in order to enable the licensee to comply with their information reporting and other obligations to the Commission
  - c enable the licensee, subject to compliance with any dispute resolution provisions of such contract, to terminate the third party's contract promptly if, in the licensee's reasonable opinion, the third party is in breach of contract (including in particular terms included pursuant to this code provision) or has otherwise acted in a manner which is inconsistent with the licensing objectives.

## 2 Financial requirements

### 2.1 Anti-money laundering

**Ordinary code provision 2.1.2**  
**Anti-money laundering – other than casino**  
**All licences except casino licences**

- 1 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 take into account the Commission's advice on the Proceeds of Crime Act 2002, *Duties and responsibilities under the Proceeds of Crime Act 2002 - Advice for operators (excluding casino operators)*.

## 3 Protection of children and other vulnerable persons

### 3.1 Combating problem gambling

#### Social responsibility code provision 3.1.1

##### Combating problem gambling

###### All licences

- 1 Licensees must have and put into effect policies and procedures intended to promote socially responsible gambling including the specific policies and procedures required by the provisions of section 3 of this code.
- 2 Licensees must make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling.

### 3.2 Access to gambling by children and young persons

#### Social responsibility code provision 3.2.3

##### Access to gambling by children and young persons – AGC SR code

###### All adult gaming centre licences

- 1 Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.
- 2 This must include procedures for:
  - a checking the age of apparently underage customers
  - b removing anyone who appears to be under age and cannot produce an acceptable form of identification
  - c taking action when there are attempts by under-18s to enter the premises.
- 3 Licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises.
- 4 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.
- 5 In premises restricted to adults, service must be refused in any circumstances where any adult is accompanied by a child or young person.
- 6 Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This must include appropriate training which must cover all relevant prohibitions against inviting children or young persons to gamble or to enter gambling premises, and the legal requirements on returning stakes and not paying prizes to underage customers.
- 7 Licensees must only accept identification which:
  - a contains a photograph from which the individual can be identified
  - b states the individual's date of birth
  - c is valid
  - d is legible and has no visible signs of tampering or reproduction.
- 8 Licensees in fee category C or higher must conduct test purchasing or take part in collective test purchasing programmes, as a means of providing reasonable assurance that they have effective policies and procedures to prevent underage gambling, and must provide their test purchase results to the Commission.

### **Ordinary code provision 3.2.4**

#### **Access to gambling by children and young persons – AGC ordinary code**

##### **All adult gaming centre licences**

- 1 The Commission considers acceptable forms of identification to include any identification carrying the PASS logo (for example Citizencard or Validate); a military identification card; a driving licence (including a provisional licence) with photocard; or a passport.
- 2 Licensees should put into effect procedures that require their staff to check the age of any customer who appears to them to be under 21.
- 3 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.
- 4 Procedures should be put into effect 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.
- 5 Licensees in fee categories A or B should consider how they monitor the effectiveness of their policies and procedures for preventing underage gambling (for example by taking part in a collective test purchasing programme) and should be able to explain to the Commission or licensing authority what approach they have adopted.
- 6 In providing training to staff on their responsibilities for preventing underage gambling, licensees should have, as a minimum, policies for induction training and refresher training.

### **Social responsibility code provision 3.2.5**

#### **Access to gambling by children and young persons – bingo and FEC SR code**

##### **All non-remote bingo and family entertainment centre licences**

- 1 Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.
- 2 This must include procedures for:
  - a checking the age of apparently underage customers
  - b refusing entry to any adult-only areas to anyone unable to produce an acceptable form of identification
  - c taking action when there are unlawful attempts to enter the adult-only areas.
- 3 Licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises.
- 4 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.
- 5 Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This must include appropriate training which must cover:
  - a all relevant prohibitions against inviting children or young persons to gamble on age-restricted products or to enter age-restricted areas;
  - b the legal requirements on returning stakes and not paying prizes to underage customers; and

- c procedures for challenging any adult who may be complicit in allowing a child or young person to gamble.
- 6 Licensees must only accept identification which:
- a contains a photograph from which the individual can be identified
  - b states the individual's date of birth
  - c is valid
  - d is legible and has no visible signs of tampering or reproduction.
- 7 Licensees in fee category C or higher must conduct test purchasing or take part in collective test purchasing programmes, as a means of providing reasonable assurance that they have effective policies and procedures to prevent underage gambling, and must provide their test purchase results to the Commission.

### **Ordinary code provision 3.2.6**

#### **Access to gambling by children and young persons – bingo and FEC ordinary code All non-remote bingo and family entertainment centre licences**

- 1 The Commission considers acceptable forms of identification to include: any identification carrying the PASS logo (for example Citizencard or Validate); a military identification card; a driving licence (including a provisional licence) with photocard; or a passport.
- 2 Licensees should require a person who appears to relevant staff to be under the age of 21 to be asked to produce proof of 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.
- 3 Licensees should have 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.
- 4 Procedures should be put into effect 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 child or young person concerned.
- 5 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.
- 6 Licensees in fee categories A or B should consider how they monitor the effectiveness of their policies and procedures for preventing underage gambling (for example by taking part in a collective test purchasing programme) and should be able to explain to the Commission or licensing authority what approach they have adopted.
- 7 In providing training to staff on their responsibilities for preventing underage gambling, licensees should have, as a minimum, policies for induction training and refresher training.

## **3.3 Gambling management tools and responsible gambling information**

### **Social responsibility code provision 3.3.1**

#### **Responsible gambling information**

#### **All licences, except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino and remote betting (standard) (remote platform) licences**

- 1 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.
- 2 The information must cover:
  - a any measures provided by the licensee to help individuals monitor or control their gambling, such as restricting the duration of a gambling session or the amount of money they can spend
  - b timers or other forms of reminders or 'reality checks' where available
  - c self-exclusion options
  - d information about the availability of further help or advice.
- 3 The information must be directed to all customers whether or not licensees also make available material which is directed specifically at customers who may be 'problem gamblers'.
- 4 For gambling premises, information must be available in all areas where gambling facilities are provided and adjacent to ATMs. Information must be displayed prominently using methods appropriate to the size and layout of the premises. These methods may include the use of posters, the provision of information on gambling products, or the use of screens or other facilities in the gambling premises. Information must also be available in a form that may be taken away and may also be made available through the use of links to be accessed online or using smart technology. Licensees must take all reasonable steps to ensure that this information is also readily accessible in locations which enable the customer to obtain it discreetly.

#### **Ordinary code provision 3.3.2**

##### **Responsible gambling information – foreign languages**

**All licences, except gaming machine technical, gambling software, ancillary remote bingo and ancillary remote casino licences**

- 1 Licensees who market their services in one or more foreign languages should make available in that, or those, foreign languages:
  - a the information on how to gamble responsibly and access to help referred to above
  - b the players' guides to any game, bet or lottery required to be made available to customers under provisions in this code
  - c 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.

### **3.4 Customer interaction**

#### **Social responsibility code provision 3.4.1**

##### **Customer interaction – SR code**

**All licences, except non-remote lottery, gaming machine technical and gambling software licences**

- 1 Licensees must put into effect policies and procedures for customer interaction where they have concerns that a customer's behaviour may indicate problem gambling. The policies must include:
  - a identification of the appropriate level of management who may initiate customer interaction and the procedures for doing so
  - b 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

- c** the circumstances in which consideration should be given to refusing service to customers and/or barring them from the operator's gambling premises
  - d** training for all staff on their respective responsibilities, in particular so that they know who is designated to deal with problem gambling issues
  - e** specific provision for making use of all relevant sources of information to ensure effective decision making, and to guide and deliver effective customer interactions, including in particular
    - i** provision to identify at risk customers who may not be displaying obvious signs of, or overt behaviour associated with, problem gambling: this should be by reference to indicators such as time or money spent
    - ii** specific provision in relation to customers designated by the licensee as 'high value', 'VIP' or equivalent
  - f** specific provision for interacting with customers demonstrating signs of agitation, distress, intimidation, aggression or other behaviours that may inhibit customer interaction
- 2** For gambling premises, licensees must ensure that their policies and procedures take account of the structure and layout of the gambling premises.
  - 3** But such policies and procedures must be consistent with, and implemented with due regard to, licensees' duties in respect of the health and safety of their staff.

#### **Ordinary code provision 3.4.2**

##### **Customer interaction – ordinary code**

##### **All licences except non-remote lottery, gaming machine technical and gambling software licences**

- 1** Operators should work together to share experience and deliver good practice across the full range of social responsibility requirements for customer interaction.
- 2** Operators should keep a record of customer interactions, and where an interaction has been ruled out, the reasons for this. Where an interaction has taken place at a later date, this should also be recorded.
- 3** In providing training to staff on their responsibilities for customer interaction, licensees should have, as a minimum, policies for induction training and refresher training.

### **3.5 Self-exclusion**

#### **Social responsibility code provision 3.5.1**

##### **Self-exclusion – non-remote and trading rooms SR code**

##### **All non-remote licences (except lottery, gaming machine technical and gambling software licences) and remote betting intermediary (trading rooms only) licences**

- 1** Licensees must have and put into effect 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.
- 2** Licensees must, as soon as practicable, take all reasonable steps to prevent any marketing material being sent to a self-excluded customer.
- 3** 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.

- 4 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.
- 5 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.
- 6 Licensees must put into effect procedures designed to ensure that an individual who has self-excluded cannot gain access to gambling. These procedures must include:
  - a 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);
  - b photo identification (except where the Licensee can reasonably satisfy themselves that in the circumstances in which they provide facilities for gambling an alternative means of identification is at least as effective) and a signature;
  - c staff training to ensure that staff are able to administer effectively the systems; and
  - d the removal of those persons found in the gambling area or attempting to gamble from the premises.
- 7 Licensees must ensure that their procedures for preventing access to gambling by self-excluded individuals take account of the structure and layout of the gambling premises.
- 8 Licensees must, when administering the self-exclusion agreement, signpost the individual to counselling and support services.

### **Ordinary code provision 3.5.2**

#### **Self-exclusion – non-remote ordinary code**

#### **All non-remote licences and remote betting intermediary (trading rooms only) licences, but not gaming machine technical and gambling software licences**

- 1 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.
- 2 Individuals should be able to self-exclude without having to enter gambling premises.
- 3 Before an individual self-excludes, licensees should provide or make available sufficient information about what the consequences of self-exclusion are.
- 4 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.
- 5 Licensees should encourage the customer to consider extending their self-exclusion to other licensees' gambling premises in the customer's local area.
- 6 Customers should be given the opportunity to discuss self-exclusion in private, where possible.
- 7 Licensees should take steps to ensure that:
  - a the minimum self-exclusion period offered is of a duration of not less than 6 nor more than 12 months
  - b any self-exclusion may, on request, be extended for one or more further periods of at least 6 months each

- c 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
  - d at the end of the period chosen by the customer, the self-exclusion remains in place for a further 6 months, unless the customer takes positive action in order to gamble again
  - e where a customer chooses not to renew the self-exclusion, and makes a positive request to begin gambling again during the 6 month period following the end of their initial self-exclusion, the customer is given one day to cool off before being allowed access to gambling facilities. The contact must be made via telephone or in person
  - f notwithstanding the expiry of the period of self-exclusion chosen by a customer, no marketing material should be sent to them unless and until they have asked for or agreed to accept such material.
- 8 The licensee should retain the records relating to a self-exclusion agreement at least for the length of the self-exclusion agreement plus a further 6 months.
  - 9 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.
  - 10 Licensees should have, and put into effect, policies and procedures which recognise, seek to guard against and otherwise address, the fact that some individuals who have self-excluded might attempt to breach their exclusion without entering a gambling premises, for example, by getting another to gamble on their behalf.
  - 11 Licensees should have effective systems in place to inform all venue staff of self-excluded individuals who have recently attempted to breach a self-exclusion in that venue, and the licensees neighbouring venues.
  - 12 In providing training to staff on their responsibilities for self-exclusion, licensees should have, as a minimum, policies for induction training and refresher training.

### **Social responsibility code provision 3.5.6**

#### **Self-exclusion – multi-operator non-remote SR code**

**All non-remote casino, bingo and betting licences (except in respect of the provision of facilities for betting in reliance on a track premises licence) and holders of gaming machine general operating licences for adult gaming centres**

*This provision comes into force on 6 April 2016*

- 1 Licensees must offer customers with whom they enter into a self-exclusion agreement in respect of facilities for any kind of gambling offered by them the ability to self-exclude from facilities for the same kind of gambling offered in their locality by any other holder of an operating licence to whom this provision applies, by participating in one or more available multi-operator self-exclusion schemes.

### **Ordinary code provision 3.5.7**

#### **Self-exclusion – multi-operator non-remote ordinary code**

**All non-remote casino, bingo and betting licences (except in respect of the provision of facilities for betting in reliance on a track premises licence) and holders of gaming machine general operating licences for adult gaming centres**

- 1 Licensees should contribute to and participate in the development and effective implementation of multi-operator self-exclusions schemes with the aim of making available to customers the ability to self-exclude from facilities for gambling provided by other licensed operators within their local area(s).

### 3.6 Employment of children and young persons

#### Ordinary code provision 3.6.5

##### Employment of children and young people – AGCs

###### All adult gaming centre licences

- 1 Licensees who employ children (under-16-year-olds) 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.
- 2 As to **1b**, 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.
- 3 Accordingly, licensees should have and put into effect policies and procedures designed to ensure that:
  - a children and young persons are never asked to perform tasks within **1a or 1b**, above
  - b 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.
- 4 Licensees should consider adopting a policy that:
  - a 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
  - b 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.

#### Ordinary code provision 3.6.6

##### Employment of children and young people – FECs

###### All family entertainment centre licences

- 1 Licensees who employ children (under-16-year-olds) 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.
- 2 As to **1b**, 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.
- 3 Accordingly, licensees should have and put into effect policies and procedures designed to ensure that:
  - a children and young persons are never asked to perform tasks within **1a or 1b**, above
  - b 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.

- 4 Licensees should consider adopting a policy that:
  - a 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
  - b 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.

### 3.8 Money lending between customers

#### Ordinary code provision 3.8.2

##### Money-lending – other than casinos

**All non-remote bingo, general betting, adult gaming centre, family entertainment centre and remote betting intermediary (trading rooms only) licences**

- 1 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.

## 4 ‘Fair and open’ provisions

### 4.1 Fair terms

#### Social responsibility code provision 4.1.1

##### Fair terms

**All licences, except gaming machine technical and gambling software licences**

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

## 5 Marketing

### 5.1 Rewards and bonuses

#### Social responsibility code provision 5.1.1

##### Rewards and bonuses – SR code

**All licences (including ancillary remote licences), except gaming machine technical and gambling software licences**

- 1 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 the customers to whom it is offered;
  - 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 altered or increased if the qualifying activity or spend is reached within a shorter time than the whole period over which the benefit is offered.
- 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.

### **Ordinary code provision 5.1.2**

#### **Proportionate rewards**

**All licences (including ancillary remote licences), except gaming machine technical and gambling software licences**

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

### **Ordinary code provision 5.1.6**

#### **Compliance with advertising codes**

**All licences, except lottery licences**

- 1 All advertising of gambling products and services should be undertaken in a socially responsible manner. In particular, licensees should comply with the advertising codes of practice issued by the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) which apply to the form and media in which they advertise their gambling facilities or services. For media not explicitly covered, licensees should apply the principles included in these codes of practice as if they were explicitly covered. Licensees should also follow any relevant industry code of practice on advertising, notably the Gambling Industry Code for Socially Responsible Advertising.
- 2 Licensees should also have regard to the CAP and BCAP 'Guidance on the rules for gambling advertisements' which contains a specific section on 'Misleadingness': 'free bets', or any equivalent guidance that either body may issue in future.
- 3 Marketing communications must not include a child or young person. No-one who is, or seems to be under 25 years old may be featured in gambling. No-one may behave in an adolescent, juvenile or loutish way. However, the restriction on allowing people who are, or seem to be, under 25 years old (ie: those in the 18-24 age bracket) to appear in marketing communications need not be applied:
  - a In the case of non-remote point of sale advertising material, provided that the images used depict the sporting or other activity that may be gambled on and not the activity of gambling itself and do not offend any other aspect of the advertising codes.
  - b In the case of remote gambling, provided that the images 'appear in a place where a bet can be placed directly through a transactional facility, for instance, a gambling operator's own website. The individual may only be used to illustrate specific betting selections where the individual is the subject of the bet offered. The image or other depiction used must show them in the context of the bet and not in a gambling context' (as provided in the Gambling section of the CAP code)<sup>1</sup>.

<sup>1</sup>This is currently set out in CAP code rule 16.3.14.

### **Social responsibility code provision 5.1.7**

#### **Marketing of offers**

##### **All licences**

- 1** Licensees must satisfy themselves that their marketing communications, advertisements, and invitations to purchase (within the meaning of the Consumer Protection from Unfair Trading Regulations 2008), including 'free bet' offers, do not amount to or involve misleading actions or misleading omissions within the meaning of those Regulations.
- 2** Licensees must abide by any relevant provision of the CAP or BCAP code, as the case may be, which relates to 'free bet', 'bonus' or similar offers and in that regard follow the CAP and BCAP 'Guidance on the rules for gambling advertisements'. In particular that:
  - a** Marketing communications (which include advertisements) must state significant limitations and qualifications. Qualifications may clarify but must not contradict the claims that they qualify.
  - b** Marketing communications that include a promotion and are significantly limited by time or space must include as much information about significant conditions as practicable and must direct consumers clearly to an easily accessible alternative source where all the significant conditions of the promotion are prominently stated. Participants should be able to retain those conditions or easily access them throughout the promotion.
  - c** Terms and conditions relating to consumers' understanding of a 'free bet' offer and of the commitments that they have to make in order to take advantage of such an offer should generally be stated in the advertisement itself. Where the advertisement is limited by time or space (for example a banner advertisement), significant conditions likely to affect a consumer's decision to participate in promotions should be displayed no further than one click away from the advertisement itself. If the significant conditions are not displayed with sufficient prominence, the advertisement will be seen as misleading.
- 3** The terms and conditions of each marketing incentive must be made available for the full duration of the promotion.

### **Ordinary code provision 5.1.8**

#### **Online marketing in proximity to information on responsible gambling**

##### **All licences**

- 1** Licensees should ensure that no advertising or other marketing information, whether relating to specific offers or to gambling generally, appears on any primary web page/ screen, or micro site, that provides advice or information on responsible gambling.

## **6 Complaints and disputes**

### **6.1 Complaints and disputes**

#### **Social responsibility code provision 6.1.1**

##### **Complaints and disputes**

##### **All licences (including ancillary remote licensees) except gaming machine technical**

## **and gambling software licences**

- 1** Licensees must put into effect a written procedure for handling customer complaints and disputes.
- 2** Licensees must also ensure that they have arrangements in place for customers to be able to refer any dispute to an ADR entity if not resolved to the customer's satisfaction by use of their complaints procedure. It is permissible for licensees to have arrangements with more than one ADR entity and for customers to be directed to different ADR entities depending on the nature and subject matter of the dispute.
- 3** It is permissible for any such ADR entity to have terms enabling it to reject complaints referred for dispute resolution on the basis they are frivolous or vexatious but licensees may not refuse to refer disputes on that ground.
- 4** The services of any such ADR entity must be free of charge to the customer and must not be subject to terms which restrict, or purport to restrict, the customer's right to bring proceedings against the licensee in any court of competent jurisdiction. Such terms may, however, provide for an agreed resolution of a dispute (arrived at with the assistance of the ADR entity) to be binding on both parties.
- 5** 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** relates to the outcome of the complainant's gambling transaction; and
  - b** is not resolved at the first stage of the licensee's complaints procedure.
- 6** Licensees must ensure that:
  - a** information about their complaints procedure is set out in their terms and conditions;
  - b** such information is also readily accessible on the gambling premises or website as the case may be;
  - c** such information includes details of how to make a complaint to the licensee and the relevant contact details;
  - d** such information includes the identity (with contact details, which can be by way of a link from the licensee's website) of the ADR entity or entities to whom disputes can normally be referred and, where necessary, details of any limitation on the nature and subject matter of disputes with which a particular ADR entity deals
  - e** customers are given a copy of the complaints procedure on request or on making a complaint; and
  - f** all complaints are handled in accordance with the procedure.
- 7** Should licensees refer a dispute to an ADR entity other than one in respect of which contact details were given in accordance with 6 above they must, at the same time as making the reference, inform the Commission of the reference and reason for selection of the ADR entity concerned.
- 8** Licensees must keep a record of all complaints that are not resolved at the first stage of the complaints procedure.
- 9** Licensees must arrange for a copy of the decision on, or a note of the outcome of, each dispute referred to an ADR entity to be provided to the Commission, either by the ADR entity or by the licensee. This information should be provided in such format and within such timescale as the Commission may from time to time specify.
- 10** Licensees must also arrange for any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction to be notified to the Commission as a key event; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.

**In this Code, 'ADR entity' means a person offering alternative dispute resolution services**

whose name appears on the list maintained by the Gambling Commission in accordance with *The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015*.

## 7 Gambling licensees' staff

### 7.1 Gambling licensees' staff

#### Social responsibility code provision 7.1.2

#### Responsible gambling information for staff

#### All licences, including betting ancillary remote licences, but not other ancillary remote licences

- 1 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.

## 8 Information requirements

### 8.1 Information requirements

#### Ordinary code provision 8.1.1

#### Information requirements – ordinary code

#### All licences

- 1 As stated earlier in this code, the Commission expects licensees to work with the Commission in an open and cooperative way and to inform the Commission of any matters that the Commission would reasonably need to be aware of in exercising its regulatory functions. These include in particular matters that will have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly and consistently with the licensing objectives.
- 2 Thus, licensees should notify the Commission, or ensure that the Commission is notified, as soon as reasonably practicable and in such form and manner as the Commission may from time to time specify<sup>1</sup>, of any matters which in their view could have a material impact on their business or affect compliance. The Commission would, in particular, expect to be notified of the occurrence of any of the following events in so far as not already notified in accordance with the conditions attached to the licensee's licence<sup>2</sup>:
  - a any material change in the licensee's structure or the operation of its business
  - b any material change in managerial responsibilities or governance arrangements
  - c any report from an internal or external auditor expressing, or giving rise to, concerns about material shortcomings in the management control or oversight of any aspect of the licensee's business related to the provision of gambling facilities.

These matters can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk). Alternatively, for operators unable to access this system, you can these events by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> Events which **must** be reported, because the Commission considers them likely to have a material impact on the nature or structure of a licensee's business, are set out in general licence condition 15.2.1

## 10 Assessing local risk

### 10.1 Assessing local risk

#### **Social responsibility code provision 10.1.1**

##### **Assessing local risk**

**All non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences.**

*This provision comes into force on 6 April 2016*

- 1 Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy.
- 2 Licensees must review (and update as necessary) their local risk assessments:
  - a to take account of significant changes in local circumstances, including those identified in a licensing authority's statement of licensing policy;
  - b when there are significant changes at a licensee's premises that may affect their mitigation of local risks;
  - c when applying for a variation of a premises licence; and
  - d in any case, undertake a local risk assessment when applying for a new premises licence.

#### **Ordinary code provision 10.1.2**

##### **Sharing local risk assessments**

**All non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences**

*This provision comes into force on 6 April 2016*

- 1 Licensees should share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request.

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## **Keeping gambling fair and safe for all**

For further information or to register your interest in the Commission please visit our website at:

**[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)**

Copies of this document are available in alternative formats on request.

Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP

**T** 0121 230 6666

**F** 0121 230 6720

**E** [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

**LCCP 15/04**  
**April 2015**



# GAMBLING COMMISSION

## **Conditions and codes of practice applicable to Non-remote bingo licences**

Including sector-specific extract of  
LCCP February 2015 (updated April 2015)

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# General introduction

1 This document sets out the Gambling Commission's general licence conditions and associated code of practice provisions (LCCP) under the Gambling Act 2005 (the Act) which are applicable to the specified sector(s).

2 The LCCP document sets out:

- |                             |   |
|-----------------------------|---|
| <b>Part I:</b> (in black)   | statutory conditions attached by virtue of the Act  |
| <b>Part II:</b> (in orange) | the suite of general conditions attached to operating licences  |
| <b>Part III:</b> (in blue)  | the principal code of practice, distinguishing between 'social responsibility' provisions and 'ordinary' provisions (the social responsibility provisions are in shaded boxes within the text). |

3 An [index](#) to the provisions is provided at the end of this document, and if using an electronic version of this document, links are provided from both the contents and index pages to aid navigation.

4 Copies of LCCP can be obtained from the Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by writing to:

Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP  
T 0121 230 6666  
F 0121 230 6720  
E [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

5 The conditions and codes of practice contained within this document include the extract of consolidated LCCP February 2015 which is applicable to the specified sector(s). As a result, the numbering of conditions or codes of practice may not follow sequentially. The Commission's consolidated LCCP document, containing the conditions and codes of practice for all sectors is available on the website. Further information about the history of LCCP (such as the results of completed consultations) and potential future amendments to LCCP can also be found on the website.

6 The sector-specific extract of LCCP (Parts II and III) come into force on **Friday 8 May 2015**. There are some exceptions to this date. The exceptional in-force dates are as follows:

- **Expected October 2015:** licence condition 7.1.1B will come into force on the date [relevant provisions of the Consumer Rights Act 2015](#) are brought into force.
- **6 April 2016:**
  - social responsibility code provision 3.5.6, relating to non-remote multi-operator self-exclusion
  - social responsibility code provision 10.1.1, relating to the assessment of local risk
  - ordinary code provision 10.1.2, relating to sharing local risk assessments.

7 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.

# Part I: Statutory conditions attached by virtue of the Act

## Social Responsibility

This licence is subject to a condition that the licensee ensures compliance with any relevant social responsibility provision of a code of practice issued by the Commission. The social responsibility provisions that are relevant to the activities authorised by this licence are set out in the section entitled Codes of Practice (Part III).

**(Sections 24 and 82(1) Gambling Act 2005)**

## Return of stakes to children

**The following condition applies to all remote operating licences except remote pool betting operating licences restricted to football only**

This licence is subject to a condition that if the licensee (or anyone employed by the licensee to perform an operational function within the meaning of Section 80 of the Act) becomes aware that a child or young person is using or has used facilities for gambling provided in reliance on the licence, the licensee:

- (a) must return any money paid in respect of the use of those facilities (whether by way of fee, stake or otherwise) by the child or young person as soon as is reasonably practicable; and
- (b) may not give a prize to the child or young person.

This condition does not apply to use of a Category D gaming machine.

**(Section 83(1))**

## Credit

This licence is subject to a condition that the licensee may not:

- give credit in connection with gambling; or
- participate in, arrange, permit or knowingly facilitate the giving of credit in connection with gambling.

But this condition shall not prevent the licensee from permitting the installation and use on their licensed premises of a machine enabling cash to be obtained on credit from a person (the “credit provider”) provided that:

- the licensee has no other commercial connection with the credit provider in relation to gambling;
- the licensee neither makes nor receives any payment or reward (whether by way of commission, rent or otherwise) in connection with the machine; and
- any conditions about the nature, location or use of the machine which may be attached to this licence by the Commission or by virtue of regulations by the Secretary of State are complied with.

**(Section 81(2))**

## Part II: Suite of general conditions attached to operating licences under Section 75 of the Gambling Act 2005 (the Act)

### 1 Qualified persons and personal licences

#### 1.1 Qualified persons

##### **Licence condition 1.1.1**

##### **Qualified persons – qualifying position**

**All operating licences, except ancillary remote licences, issued to small-scale operators**

- 1** 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.
- 2** Schedule X<sup>1</sup> lists those individuals notified to the Commission as qualified persons.
- 3** 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 section 104(1)(b) of the Act for amendment of the details of the licence set out in Schedule X<sup>1</sup>.
- 4** An application for amendment under section 104(1)(b) of the Act 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.
- 5** In this condition ‘qualified person’ has the same meaning as in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

<sup>1</sup> The schedules mentioned here will be attached to individual licences.

#### 1.2 Personal licences

##### **Licence condition 1.2.1**

##### **Specified management offices – personal management licences**

**All casino, bingo, general and pool betting, betting intermediary, gaming machine general, gaming machine technical, gambling software and lottery managers licences, except ancillary remote licences**

- 1** Subject to **6** and **7** below, licensees must ensure:
  - a** that each individual who occupies one of the management offices specified in **2** below 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
  - b** that at least one person occupies at least one of those offices.
- 2** 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:
  - a** the overall management and direction of the licensee’s business or affairs
  - b** the licensee’s finance function as head of that function

- c** the licensee's gambling regulatory compliance function as head of that function
  - d** the licensee's marketing function as head of that function
  - e** the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software
  - f** 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
  - g** in the case of casino and bingo licences only, oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.
- 3** The person responsible for the licensee's gambling regulatory compliance function as head of that function shall not, except with the Commission's express approval, occupy any other specified management office.
- 4** 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.
- 5** 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.
- 6** Paragraphs **1** to **5** 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').
- 7** During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs **1** to **6** above shall apply subject to the proviso that the phrase 'each individual' in paragraph **1a** 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.

## **2 Technical standards, equipment specifications, remote gambling equipment and gambling software**

### **2.3 Technical standards and equipment specifications**

#### **Licence condition 2.3.2**

##### **Bingo equipment specifications**

##### **Non-remote bingo operating licences and bingo ancillary remote licences**

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

## 4 Protection of customer funds

### 4.2 Disclosure to customers

#### Licence condition 4.2.1

##### Disclosure to customers

**All operating licences, except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino licences**

- 1 Licensees who hold customer funds must set out clearly in the terms and conditions under which they provide facilities for gambling information about whether customer funds are protected in the event of insolvency, the level of such protection and the method by which this is achieved.
- 2 Such information must be according to such rating system and in such form the Commission may from time to time specify. It must be provided in writing to each customer, in a manner which requires the customer to acknowledge receipt of the information and does not permit the customer to utilise the funds for gambling until they have done so, both on the first occasion on which the customer deposits funds and on the occasion of any subsequent deposit which is the first since a change in the licensee's terms in relation to protection of such funds.
- 3 In this condition 'customer funds' means the aggregate value of funds held to the credit of customers including, without limitation:
  - a cleared funds deposited with the licensee by customers to provide stakes in, or to meet participation fees in respect of, future gambling,
  - b winnings or prizes which the customer has chosen to leave on deposit with the licensee or for which the licensee has yet to account to the customer, and
  - c any crystallised but as yet unpaid loyalty or other bonuses, in each case irrespective of whether the licensee is a party to the gambling contract.

## 5 Cash handling and payment methods and services

### 5.1 Payment services

#### Licence condition 5.1.1

##### Cash handling

**All operating licences (including remote betting intermediary (trading rooms only) licences), except gaming machine technical, gambling software and remote licences**

- 1 Licensees, as part of their internal controls and financial accounting systems, must have and put into effect 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.

## 7 General 'fair and open' provisions

### 7.1 Compliance with terms

#### **Licence condition 7.1.1A**

##### **Compliance with terms**

All operating licences except gaming machine technical and gambling software licences

***This condition will remain in force unless and until replaced by 7.1.1B***

- 1** 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 and must comply with those terms.
- 2** 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.
- 3** Customers must be notified of material changes to terms before they come into effect.

#### **Licence condition 7.1.1B**

##### **Compliance with terms (consumer rights)**

All operating licences except gaming machine technical and gambling software licences

***This condition will come into force on the date relevant provisions of the Consumer Rights Act 2015 are brought into force***

- 1** Licensees must satisfy themselves that none of the terms on which gambling is offered are unfair terms within the meaning of the Consumer Rights Act 2015 and must comply with those terms.
- 2** 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.
- 3** Customers must be notified of material changes to terms before they come into effect.

## 9 Types and rules of casino and other games

### 9.1 Casino and bingo games

#### **Licence condition 9.1.2**

##### **Prohibited bingo prize games**

All non-remote bingo operating licences

- 1** Licensees must not offer or permit to be played prize gaming games that appear on any list of games prohibited by the Commission.

## 14 Access to premises

### 14.1 Access to premises

#### Licence condition 14.1.1

##### Access to premises

##### All operating licences

- 1 Licensees must have and put into effect 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

#### Licence condition 15.1.1

##### Reporting suspicion of offences etc - non-betting licences

##### All operating licences except betting, betting intermediary, ancillary remote betting and remote betting intermediary (trading rooms only) licences

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure that the Commission is provided with any information that they know relates to or 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.

### 15.2 Reporting key events and other reportable events

#### Licence condition 15.2.1

##### Reporting key events

##### All operating licences

A key event is an event that could have a significant impact on the nature or structure of a licensee's business. Licensees must notify the Commission, or ensure the Commission is notified, in such form or manner as the Commission may from time to time specify, of the occurrence of any of the following key events as soon as reasonably practicable and in any event within five working days of the licensee becoming aware of the event's occurrence<sup>1</sup>.

##### Operator status

- 1 In the case of licensees which are companies, a petition being presented for their winding up or the winding up of any group company of theirs, or they or any group company being placed in administration or receivership or their directors proposing to creditors a composition in satisfaction of its debts or a scheme of arrangement of its affairs.
- 2 In the case of licensees which are bodies corporate, but not companies, any event substantially equivalent to those listed at 1 above.
- 3 In the case of a licensee who is an individual (or a partner in a partnership licensee) their being presented with a petition for their bankruptcy or sequestration or their entering into an individual voluntary arrangement.

##### Relevant persons and positions

- 4 In the case of licensees who are companies or other bodies corporate having a share

capital, the name and address of any person who (whether or not already a shareholder or member) becomes a shareholder or member holding 3% or more of the issued share capital of the licensee or its holding company.

- 5 Any investment in a licensee which is not by way of subscription for shares.
- 6 The taking of any loan by the licensee, or by a group company who then makes an equivalent loan to the licensee, from any person not authorised by the Financial Conduct Authority: a copy of the loan agreement must be supplied.
- 7 The entering into an arrangement whereby a third party provides services to, or grants any licence concession or permission to, the licensee other than for full value: full details of the arrangements must be supplied.
- 8 The appointment of a person to, or a person ceasing to occupy, a 'key position': a 'key position' in relation to a licensee is:
  - a in the case of a small-scale operator, a 'qualifying position' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006
  - b in the case of an operator which is not a small-scale operator, a 'specified management office' as set out in (current) LCCP licence condition 1.2
  - c a position the holder of which is responsible for the licensee's anti-money laundering procedures, including suspicious activity reporting
  - d any other position for the time being designated by the Commission as a 'key position'. (Notification is required whether or not the person concerned is required to hold a personal management licence and whether or not the event notified requires the licensee to apply for a variation to amend a detail of their licence.)
- 9 Any change to the structure or organisation of the licensee's business which affects a 'key position' or the responsibilities of its holder.

#### **Financial events**

- 10 Any material change in the licensee's banking arrangements, in particular the termination of such arrangements or a particular facility and whether by the licensee or the provider of the arrangements.
- 11 Any breach of a covenant given to a bank or other lender.
- 12 Any default by the licensee or, where the licensee is a body corporate, by a group company in making repayment of the whole or any part of a loan on its due date.
- 13 Any court judgments (in whatever jurisdiction) against the licensee or, where the licensee is a body corporate, a group company, remaining unpaid 14 days after the date of judgment.
- 14 Where the licensee is required to have their accounts independently audited, any qualification to an auditors' report; and any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an unqualified audit report.
- 15 Any change in the licensee's arrangements for the protection of customer funds in accordance with the general licence condition 4 relating to the protection of customer funds (where applicable).
- 16 Where the licensee holds customer funds in a separate bank account, any deficit on reconciliation of such bank account.
- 17 Any change in the licensee's arrangements as to the methods by which, and/or the payment processors through which, the licensee accepts payment from customers using their gambling facilities (this key event applies to remote casino, bingo and betting operating licences, except ancillary and remote betting intermediary (trading room only) licences).

#### **Legal or regulatory proceedings or reports**

- 18 The grant, withdrawal or refusal of any application for a licence or other permission made by the licensee, or in the case of a licensee which is a body corporate, any group company of theirs, to a gambling regulator in another jurisdiction. In the case of a withdrawal or refusal of the application, the licensee must also notify the reasons for such

withdrawal or refusal. (This condition does not apply to applications for licences or other permissions to carry on activities which would fall outside the scope of a Gambling Commission operating licence if carried out in Britain or with customers in Great Britain.)

- 19** Any investigation by a professional, statutory, regulatory or government body (in whatever jurisdiction) into the licensee's activities, or the activities in relation to the licensed entity of a personal licence holder or a person occupying a qualifying position employed by them, where such an investigation could result in the imposition of a sanction or penalty which, if imposed, could reasonably be expected to raise doubts about the licensee's continued suitability to hold a Gambling Commission licence.
- 20** The receipt of any report from a professional, statutory or other regulatory or government body (in whatever jurisdiction) of the outcome of a compliance assessment in relation to the gambling activity of the licensee or, where the licensee is a body corporate, of any group company in which at least one person who holds a key position in or in respect of the licensee holds a key position: a copy of the report should be provided where available to the licensee.
- 21** The referral to the licensee's Board, or persons performing the function of an audit or risk committee, of material concerns raised by a third party (such as an auditor) about the provision of facilities for gambling which are expressed (in whatever terms) as requiring attention as a high priority: a summary of the nature of the concerns must be provided.
- 22** The imposition by the licensee of a disciplinary sanction, including dismissal, against the holder of a personal licence or a person occupying a qualifying position for gross misconduct; or the resignation of a personal licence holder or person occupying a qualifying position following commencement of disciplinary proceedings in respect of gross misconduct against that person.
- 23** The commencement (in whatever jurisdiction) of any material litigation against the licensee or, where the licensee is a body corporate, a group company: the licensee must also notify the outcome of such litigation.
- 24** The making of a disclosure pursuant to section 330, 331, 332 or 338 of the Proceeds of Crime Act 2002 or section 19, 20, 21, 21ZA, 21ZB or 21A of the Terrorism Act 2000 (a suspicious activity report): the licensee should inform the Commission of the unique reference number issued by the United Kingdom Financial Intelligence Unit of the National Crime Agency in respect of each disclosure and for the purposes of this key event the five working day period referred to above runs from the licensee's receipt of the unique reference number.

#### **Gambling facilities**

- 25** Any breach in the licensee's information security that adversely affects the confidentiality of customer data or prevents customers from accessing their accounts for longer than 24 hours.
- 26** Any change in the identity of the ADR entity or entities for the handling of customer disputes, as required by the social responsibility code provision on complaints and disputes.
- 27** The reference of a dispute to an ADR entity other than one in respect of which contact details were given in accordance with the social responsibility code provision on complaints and disputes; the reason for selection of that ADR entity should be given.
- 28** In the case of remote gambling, the commencement or cessation of trading on website domains (*including mobile sites or mobile device applications*) or broadcast media through which the licensee provides gambling facilities.

In this condition:

'body corporate' has the meaning ascribed to that term by section 1173 of the Companies Act 2006 or any statutory modification or re-enactment thereof

- a** in respect of a company, 'holding company' and 'subsidiary' have the meaning ascribed to that term by section 1159 of the Companies Act 2006 or any statutory modification or re-enactment thereof
- b** a 'group company' is any subsidiary or holding company of the licensee and any subsidiary of such holding company.

<sup>1</sup> Key events can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)  
Alternatively, for operators unable to access this system, you can report a key event by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

## Licence condition 15.2.2

### Other reportable events

#### All operating licences

- 1 Licensees must also notify the Commission in such form or manner as the Commission may from time to time specify, or ensure that the Commission is so notified, as soon as reasonably practicable of the occurrence of any of the following events<sup>1</sup>:
  - a the conclusion of a dispute referred to an ADR entity and in such case providing the Commission with a copy of the decision or note of the outcome<sup>2</sup>.
  - b any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.
  - c their becoming aware that a group company which is not a Commission licensee is advertising remote gambling facilities to those residing in a jurisdiction in or to which it has not previously advertised.

In this condition:

- a 'group company' has the same meaning as in condition 15.2.1; and
- b without prejudice to section 327 of the Act, 'advertising' includes: having a home page directed towards a jurisdiction and written in, or in one of, that jurisdiction's official language(s), having arrangements enabling that jurisdiction's currency to be selected for gambling or the use of payment methods available only in that jurisdiction, and providing a specific customer service facility referable to that jurisdiction.

<sup>1</sup> Events required to be notified to the Commission by 15.2.1 or 15.2.2 may be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> In respect of the referral of disputes to an ADR entity the licensee's attention is drawn to social responsibility code provision 6.

## 15.3 General and regulatory returns

### Licence condition 15.3.1

#### General and regulatory returns

##### All operating licences

- 1 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:
  - a the numbers of people making use of the facilities and the frequency of such use
  - b the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them
  - c the licensee's policies in relation to, and experiences of, problem gambling.
- 2 In particular within 28 days of the end of each quarterly period or, for those only submitting annual returns, within 42 days of the end of each annual period, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require<sup>1</sup>.

<sup>1</sup>Regulatory returns can be submitted securely online at the Commission's website through our eServices system available at [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

For operators unable to access this system, the forms and a guide to completing them can be requested from the Commission and returned by email to: [Regulatory>Returns@gamblingcommission.gov.uk](mailto:Regulatory>Returns@gamblingcommission.gov.uk) or by post to Licensing, Gambling Commission, Victoria Square House, Victoria Square, Birmingham, B2 4BP

## **16 Primary gambling activity**

### **16.1 Primary gambling activity**

#### **Licence condition 16.1.1**

##### **Primary gambling activity - bingo**

##### **Non-remote bingo operating licences, except where bingo is offered under a 2005 Act casino premises licence**

- 1** Gaming machines may be made available for use in licensed bingo premises only on those days when sufficient facilities for playing bingo are also available for use.
- 2** In cases where bingo is exclusively offered by means of electronic bingo terminals or bingo machines, there must be more individual player positions made available for bingo than there are gaming machines made available for use.

# Part III: Code of practice

## Introduction

This is the Commission's principal code of practice, issued under section 24 of the Gambling Act 2005.

There are two types of code provisions in this document:

- social responsibility code provisions: compliance with these is a condition of licences; therefore any breach of them by an operator may lead the Commission to review the operator's licence with a view to suspension, revocation or the imposition of a financial penalty and would also expose the operator to the risk of prosecution; these provisions are set out in shaded boxes
- ordinary code provisions: these do not have the status of operator licence conditions but set out good practice. Operators may adopt alternative approaches to those set out in ordinary code provisions if they have actively taken account of the ordinary code provision and can demonstrate that an alternative approach is reasonable in the operator's particular circumstances; or that to take an alternative approach would be acting in a similarly effective manner. Ordinary codes of practice are admissible in evidence in criminal or civil proceedings and must be taken into account in any case in which the court or tribunal think them relevant, and by the Commission in the exercise of its functions; any departure from ordinary code provisions by an operator may be taken into account by the Commission on a licence review, but cannot lead to imposition of a financial penalty; these code provisions are in the unshaded boxes in this section.

## Code provisions

### 1 General

#### 1.1 Cooperation and responsibility for third parties

**Ordinary Code Provision 1.1.1**  
**Cooperation with the Commission**  
**All licences**

- 1 As made plain in its *Statement of principles for licensing and regulation*, the Commission expects licensees to conduct their gambling operations in a way that does not put the licensing objectives at risk, to work with the Commission in an open and cooperative way and to disclose anything which the Commission would reasonably need to be aware of in exercising its regulatory functions. This includes, in particular, anything that is likely to have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly. Licensees should have this principle in mind in their approach to, and when considering their compliance with, their obligations under the conditions attached to their licence and in relation to the following provisions of this code.

**Social responsibility code provision 1.1.2**  
**Responsibility for third parties – all licences**  
**All licences**

- 1 Licensees must take responsibility for third parties with whom they contract for the provision of any aspect of the licensee's business related to the licensed activities and ensure that the terms on which they contract with such third parties:
  - a require the third party to conduct themselves in so far as they carry out activities on behalf of the licensee as if they were bound by the same licence conditions and subject to the same codes of practice as the licensee
  - b oblige the third party to provide such information to the licensee as they may reasonably require in order to enable the licensee to comply with their information reporting and other obligations to the Commission
  - c enable the licensee, subject to compliance with any dispute resolution provisions of such contract, to terminate the third party's contract promptly if, in the licensee's reasonable opinion, the third party is in breach of contract (including in particular terms included pursuant to this code provision) or has otherwise acted in a manner which is inconsistent with the licensing objectives.

### 2 Financial requirements

#### 2.1 Anti-money laundering

**Ordinary code provision 2.1.2**  
**Anti-money laundering – other than casino**  
**All licences except casino licences**

- 1 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 take into account the Commission's advice on the Proceeds of Crime Act 2002, *Duties and responsibilities under the Proceeds of Crime Act 2002 - Advice for operators (excluding casino operators)*.

## 3 Protection of children and other vulnerable persons

### 3.1 Combating problem gambling

#### **Social responsibility code provision 3.1.1**

#### **Combating problem gambling**

#### **All licences**

- 1 Licensees must have and put into effect policies and procedures intended to promote socially responsible gambling including the specific policies and procedures required by the provisions of section 3 of this code.
- 2 Licensees must make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling.

### 3.2 Access to gambling by children and young persons

#### **Social responsibility code provision 3.2.5**

#### **Access to gambling by children and young persons – bingo and FEC SR code**

#### **All non-remote bingo and family entertainment centre licences**

- 1 Licensees must have and put into effect policies and procedures designed to prevent underage gambling, and monitor the effectiveness of these.
- 2 This must include procedures for:
  - a checking the age of apparently underage customers
  - b refusing entry to any adult-only areas to anyone unable to produce an acceptable form of identification
  - c taking action when there are unlawful attempts to enter the adult-only areas.
- 3 Licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises.
- 4 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.
- 5 Licensees must take all reasonable steps to ensure that all staff understand their responsibilities for preventing underage gambling. This must include appropriate training which must cover:
  - a all relevant prohibitions against inviting children or young persons to gamble on age-restricted products or to enter age-restricted areas;
  - b the legal requirements on returning stakes and not paying prizes to underage customers; and
  - c procedures for challenging any adult who may be complicit in allowing a child or young person to gamble.
- 6 Licensees must only accept identification which:
  - a contains a photograph from which the individual can be identified
  - b states the individual's date of birth
  - c is valid
  - d is legible and has no visible signs of tampering or reproduction.
- 7 Licensees in fee category C or higher must conduct test purchasing or take part in collective test purchasing programmes, as a means of providing reasonable assurance that they have effective policies and procedures to prevent underage gambling, and must

provide their test purchase results to the Commission.

#### **Ordinary code provision 3.2.6**

##### **Access to gambling by children and young persons – bingo and FEC ordinary code All non-remote bingo and family entertainment centre licences**

- 1 The Commission considers acceptable forms of identification to include: any identification carrying the PASS logo (for example Citizencard or Validate); a military identification card; a driving licence (including a provisional licence) with photocard; or a passport.
- 2 Licensees should require a person who appears to relevant staff to be under the age of 21 to be asked to produce proof of 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.
- 3 Licensees should have 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.
- 4 Procedures should be put into effect 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 child or young person concerned.
- 5 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.
- 6 Licensees in fee categories A or B should consider how they monitor the effectiveness of their policies and procedures for preventing underage gambling (for example by taking part in a collective test purchasing programme) and should be able to explain to the Commission or licensing authority what approach they have adopted.
- 7 In providing training to staff on their responsibilities for preventing underage gambling, licensees should have, as a minimum, policies for induction training and refresher training.

### **3.3 Gambling management tools and responsible gambling information**

#### **Social responsibility code provision 3.3.1**

##### **Responsible gambling information**

##### **All licences, except gaming machine technical, gambling software, ancillary remote bingo, ancillary remote casino and remote betting (standard) (remote platform) licences**

- 1 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.
- 2 The information must cover:
  - a any measures provided by the licensee to help individuals monitor or control their gambling, such as restricting the duration of a gambling session or the amount of money they can spend
  - b timers or other forms of reminders or 'reality checks' where available
  - c self-exclusion options
  - d information about the availability of further help or advice.
- 3 The information must be directed to all customers whether or not licensees also make available material which is directed specifically at customers who may be 'problem

gamblers’.

- 4 For gambling premises, information must be available in all areas where gambling facilities are provided and adjacent to ATMs. Information must be displayed prominently using methods appropriate to the size and layout of the premises. These methods may include the use of posters, the provision of information on gambling products, or the use of screens or other facilities in the gambling premises. Information must also be available in a form that may be taken away and may also be made available through the use of links to be accessed online or using smart technology. Licensees must take all reasonable steps to ensure that this information is also readily accessible in locations which enable the customer to obtain it discreetly.

#### **Ordinary code provision 3.3.2**

##### **Responsible gambling information – foreign languages**

##### **All licences, except gaming machine technical, gambling software, ancillary remote bingo and ancillary remote casino licences**

- 1 Licensees who market their services in one or more foreign languages should make available in that, or those, foreign languages:
  - a the information on how to gamble responsibly and access to help referred to above
  - b the players’ guides to any game, bet or lottery required to be made available to customers under provisions in this code
  - c 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.

### **3.4 Customer interaction**

#### **Social responsibility code provision 3.4.1**

##### **Customer interaction – SR code**

##### **All licences, except non-remote lottery, gaming machine technical and gambling software licences**

- 1 Licensees must put into effect policies and procedures for customer interaction where they have concerns that a customer’s behaviour may indicate problem gambling. The policies must include:
  - a identification of the appropriate level of management who may initiate customer interaction and the procedures for doing so
  - b 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
  - c the circumstances in which consideration should be given to refusing service to customers and/or barring them from the operator’s gambling premises
  - d training for all staff on their respective responsibilities, in particular so that they know who is designated to deal with problem gambling issues
  - e specific provision for making use of all relevant sources of information to ensure effective decision making, and to guide and deliver effective customer interactions, including in particular
    - i provision to identify at risk customers who may not be displaying obvious signs of, or overt behaviour associated with, problem gambling: this should be by reference to indicators such as time or money spent
    - ii specific provision in relation to customers designated by the licensee as ‘high value’, ‘VIP’ or equivalent
  - f specific provision for interacting with customers demonstrating signs of agitation, distress, intimidation, aggression or other behaviours that may inhibit customer interaction

- 2 For gambling premises, licensees must ensure that their policies and procedures take account of the structure and layout of the gambling premises.
- 3 But such policies and procedures must be consistent with, and implemented with due regard to, licensees' duties in respect of the health and safety of their staff.

#### **Ordinary code provision 3.4.2**

##### **Customer interaction – ordinary code**

##### **All licences except non-remote lottery, gaming machine technical and gambling software licences**

- 1 Operators should work together to share experience and deliver good practice across the full range of social responsibility requirements for customer interaction.
- 2 Operators should keep a record of customer interactions, and where an interaction has been ruled out, the reasons for this. Where an interaction has taken place at a later date, this should also be recorded.
- 3 In providing training to staff on their responsibilities for customer interaction, licensees should have, as a minimum, policies for induction training and refresher training.

### **3.5 Self-exclusion**

#### **Social responsibility code provision 3.5.1**

##### **Self-exclusion – non-remote and trading rooms SR code**

##### **All non-remote licences (except lottery, gaming machine technical and gambling software licences) and remote betting intermediary (trading rooms only) licences**

- 1 Licensees must have and put into effect 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.
- 2 Licensees must, as soon as practicable, take all reasonable steps to prevent any marketing material being sent to a self-excluded customer.
- 3 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.
- 4 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.
- 5 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.
- 6 Licensees must put into effect procedures designed to ensure that an individual who has self-excluded cannot gain access to gambling. These procedures must include:
  - a 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);

- b** photo identification (except where the Licensee can reasonably satisfy themselves that in the circumstances in which they provide facilities for gambling an alternative means of identification is at least as effective) and a signature;
  - c** staff training to ensure that staff are able to administer effectively the systems; and
  - d** the removal of those persons found in the gambling area or attempting to gamble from the premises.
- 7** Licensees must ensure that their procedures for preventing access to gambling by self-excluded individuals take account of the structure and layout of the gambling premises.
- 8** Licensees must, when administering the self-exclusion agreement, signpost the individual to counselling and support services.

### **Ordinary code provision 3.5.2**

#### **Self-exclusion – non-remote ordinary code**

#### **All non-remote licences and remote betting intermediary (trading rooms only) licences, but not gaming machine technical and gambling software licences**

- 1** 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.
- 2** Individuals should be able to self-exclude without having to enter gambling premises.
- 3** Before an individual self-excludes, licensees should provide or make available sufficient information about what the consequences of self-exclusion are.
- 4** 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.
- 5** Licensees should encourage the customer to consider extending their self-exclusion to other licensees' gambling premises in the customer's local area.
- 6** Customers should be given the opportunity to discuss self-exclusion in private, where possible.
- 7** Licensees should take steps to ensure that:
- a** the minimum self-exclusion period offered is of a duration of not less than 6 nor more than 12 months
  - b** any self-exclusion may, on request, be extended for one or more further periods of at least 6 months each
  - c** 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
  - d** at the end of the period chosen by the customer, the self-exclusion remains in place for a further 6 months, unless the customer takes positive action in order to gamble again
  - e** where a customer chooses not to renew the self-exclusion, and makes a positive request to begin gambling again during the 6 month period following the end of their initial self-exclusion, the customer is given one day to cool off before being allowed access to gambling facilities. The contact must be made via telephone or in person
  - f** notwithstanding the expiry of the period of self-exclusion chosen by a customer, no marketing material should be sent to them unless and until they have asked

for or agreed to accept such material.

- 8 The licensee should retain the records relating to a self-exclusion agreement at least for the length of the self-exclusion agreement plus a further 6 months.
- 9 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.
- 10 Licensees should have, and put into effect, policies and procedures which recognise, seek to guard against and otherwise address, the fact that some individuals who have self-excluded might attempt to breach their exclusion without entering a gambling premises, for example, by getting another to gamble on their behalf.
- 11 Licensees should have effective systems in place to inform all venue staff of self-excluded individuals who have recently attempted to breach a self-exclusion in that venue, and the licensees neighbouring venues.
- 12 In providing training to staff on their responsibilities for self-exclusion, licensees should have, as a minimum, policies for induction training and refresher training.

#### **Social responsibility code provision 3.5.6**

##### **Self-exclusion – multi-operator non-remote SR code**

**All non-remote casino, bingo and betting licences (except in respect of the provision of facilities for betting in reliance on a track premises licence) and holders of gaming machine general operating licences for adult gaming centres**

*This provision comes into force on 6 April 2016*

- 1 Licensees must offer customers with whom they enter into a self-exclusion agreement in respect of facilities for any kind of gambling offered by them the ability to self-exclude from facilities for the same kind of gambling offered in their locality by any other holder of an operating licence to whom this provision applies, by participating in one or more available multi-operator self-exclusion schemes.

#### **Ordinary code provision 3.5.7**

##### **Self-exclusion – multi-operator non-remote ordinary code**

**All non-remote casino, bingo and betting licences (except in respect of the provision of facilities for betting in reliance on a track premises licence) and holders of gaming machine general operating licences for adult gaming centres**

- 1 Licensees should contribute to and participate in the development and effective implementation of multi-operator self-exclusions schemes with the aim of making available to customers the ability to self-exclude from facilities for gambling provided by other licensed operators within their local area(s).

### **3.6 Employment of children and young persons**

#### **Ordinary code provision 3.6.2**

##### **Employment of children and young people – bingo**

**All non-remote bingo licences**

- 1 Licensees who employ children (under-16-year-olds) 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;

- 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; and
  - c** to employ a child to perform any function on premises where, and at a time when, facilities are being provided for playing bingo.
- 2** As to **1b**, 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.
- 3** Accordingly, licensees should have and put into effect policies and procedures designed to ensure that:
  - a** children and young persons are never asked to perform tasks within **1a or 1b**, above
  - b** 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.
- 4** Licensees should consider adopting a policy that:
  - a** children are not employed to work on bingo licensed premises at any time when the premises are open for business
  - b** neither children nor young persons are in any event asked to work in areas where gaming machines are situated.

### 3.8 Money lending between customers

#### Ordinary code provision 3.8.2

##### Money-lending – other than casinos

##### All non-remote bingo, general betting, adult gaming centre, family entertainment centre and remote betting intermediary (trading rooms only) licences

- 1** 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.

## 4 ‘Fair and open’ provisions

### 4.1 Fair terms

#### Social responsibility code provision 4.1.1

##### Fair terms

##### All licences, except gaming machine technical and gambling software licences

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

### 4.2 Display of rules and supervision of games

#### Social responsibility code provision 4.2.2

##### Display of rules - bingo

##### All non-remote bingo licences

- 1** In complying with any condition on a bingo premises licence or a 2005 Act large casino premises licence requiring the display of rules about gaming, licensees must ensure that the following are included:

- a rules about each variant of bingo made available
- b rules about any prize gaming made available.

## 5 Marketing

### 5.1 Rewards and bonuses

#### **Social responsibility code provision 5.1.1**

##### **Rewards and bonuses – SR code**

##### **All licences (including ancillary remote licences), except gaming machine technical and gambling software licences**

- 1 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 the customers to whom it is offered;
  - 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 altered or increased if the qualifying activity or spend is reached within a shorter time than the whole period over which the benefit is offered.
  - 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.

#### **Ordinary code provision 5.1.2**

##### **Proportionate rewards**

##### **All licences (including ancillary remote licences), except gaming machine technical and gambling software licences**

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

#### **Social responsibility code provision 5.1.3**

##### **Alcoholic drinks**

##### **All non-remote bingo and casino licences**

- 1 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.
- 2 Licensees must not make unsolicited offers of free alcoholic drinks for immediate consumption by customers at a time when they are participating in gambling activities.

**Ordinary code provision 5.1.6**  
**Compliance with advertising codes**  
**All licences, except lottery licences**

- 1** All advertising of gambling products and services should be undertaken in a socially responsible manner. In particular, licensees should comply with the advertising codes of practice issued by the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) which apply to the form and media in which they advertise their gambling facilities or services. For media not explicitly covered, licensees should apply the principles included in these codes of practice as if they were explicitly covered. Licensees should also follow any relevant industry code of practice on advertising, notably the Gambling Industry Code for Socially Responsible Advertising.
- 2** Licensees should also have regard to the CAP and BCAP 'Guidance on the rules for gambling advertisements' which contains a specific section on 'Misleadingness': 'free bets', or any equivalent guidance that either body may issue in future.
- 3** Marketing communications must not include a child or young person. No-one who is, or seems to be under 25 years old may be featured in gambling. No-one may behave in an adolescent, juvenile or loutish way. However, the restriction on allowing people who are, or seem to be, under 25 years old (ie: those in the 18-24 age bracket) to appear in marketing communications need not be applied:
  - a** In the case of non-remote point of sale advertising material, provided that the images used depict the sporting or other activity that may be gambled on and not the activity of gambling itself and do not offend any other aspect of the advertising codes.
  - b** In the case of remote gambling, provided that the images 'appear in a place where a bet can be placed directly through a transactional facility, for instance, a gambling operator's own website. The individual may only be used to illustrate specific betting selections where the individual is the subject of the bet offered. The image or other depiction used must show them in the context of the bet and not in a gambling context' (as provided in the Gambling section of the CAP code)<sup>1</sup>.

<sup>1</sup>This is currently set out in CAP code rule 16.3.14.

**Social responsibility code provision 5.1.7**  
**Marketing of offers**  
**All licences**

- 1** Licensees must satisfy themselves that their marketing communications, advertisements, and invitations to purchase (within the meaning of the Consumer Protection from Unfair Trading Regulations 2008), including 'free bet' offers, do not amount to or involve misleading actions or misleading omissions within the meaning of those Regulations.
- 2** Licensees must abide by any relevant provision of the CAP or BCAP code, as the case may be, which relates to 'free bet', 'bonus' or similar offers and in that regard follow the CAP and BCAP 'Guidance on the rules for gambling advertisements'. In particular that:
  - a** Marketing communications (which include advertisements) must state significant limitations and qualifications. Qualifications may clarify but must not contradict the claims that they qualify.
  - b** Marketing communications that include a promotion and are significantly limited by time or space must include as much information about significant conditions

as practicable and must direct consumers clearly to an easily accessible alternative source where all the significant conditions of the promotion are prominently stated. Participants should be able to retain those conditions or easily access them throughout the promotion.

- c** Terms and conditions relating to consumers' understanding of a 'free bet' offer and of the commitments that they have to make in order to take advantage of such an offer should generally be stated in the advertisement itself. Where the advertisement is limited by time or space (for example a banner advertisement), significant conditions likely to affect a consumer's decision to participate in promotions should be displayed no further than one click away from the advertisement itself. If the significant conditions are not displayed with sufficient prominence, the advertisement will be seen as misleading.

- 3** The terms and conditions of each marketing incentive must be made available for the full duration of the promotion.

### **Ordinary code provision 5.1.8**

#### **Online marketing in proximity to information on responsible gambling**

##### **All licences**

- 1** Licensees should ensure that no advertising or other marketing information, whether relating to specific offers or to gambling generally, appears on any primary web page/ screen, or micro site, that provides advice or information on responsible gambling.

## **6 Complaints and disputes**

### **6.1 Complaints and disputes**

#### **Social responsibility code provision 6.1.1**

##### **Complaints and disputes**

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

- 1** Licensees must put into effect a written procedure for handling customer complaints and disputes.
- 2** Licensees must also ensure that they have arrangements in place for customers to be able to refer any dispute to an ADR entity if not resolved to the customer's satisfaction by use of their complaints procedure. It is permissible for licensees to have arrangements with more than one ADR entity and for customers to be directed to different ADR entities depending on the nature and subject matter of the dispute.
- 3** It is permissible for any such ADR entity to have terms enabling it to reject complaints referred for dispute resolution on the basis they are frivolous or vexatious but licensees may not refuse to refer disputes on that ground.
- 4** The services of any such ADR entity must be free of charge to the customer and must not be subject to terms which restrict, or purport to restrict, the customer's right to bring proceedings against the licensee in any court of competent jurisdiction. Such terms may, however, provide for an agreed resolution of a dispute (arrived at with the assistance of the ADR entity) to be binding on both parties.
- 5** 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** relates to the outcome of the complainant's gambling transaction; and
  - b** is not resolved at the first stage of the licensee's complaints procedure.

- 6 Licensees must ensure that:
  - a information about their complaints procedure is set out in their terms and conditions;
  - b such information is also readily accessible on the gambling premises or website as the case may be;
  - c such information includes details of how to make a complaint to the licensee and the relevant contact details;
  - d such information includes the identity (with contact details, which can be by way of a link from the licensee's website) of the ADR entity or entities to whom disputes can normally be referred and, where necessary, details of any limitation on the nature and subject matter of disputes with which a particular ADR entity deals
  - e customers are given a copy of the complaints procedure on request or on making a complaint; and
  - f all complaints are handled in accordance with the procedure.
- 7 Should licensees refer a dispute to an ADR entity other than one in respect of which contact details were given in accordance with 6 above they must, at the same time as making the reference, inform the Commission of the reference and reason for selection of the ADR entity concerned.
- 8 Licensees must keep a record of all complaints that are not resolved at the first stage of the complaints procedure.
- 9 Licensees must arrange for a copy of the decision on, or a note of the outcome of, each dispute referred to an ADR entity to be provided to the Commission, either by the ADR entity or by the licensee. This information should be provided in such format and within such timescale as the Commission may from time to time specify.
- 10 Licensees must also arrange for any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction to be notified to the Commission as a key event; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.

In this Code, 'ADR entity' means a person offering alternative dispute resolution services whose name appears on the list maintained by the Gambling Commission in accordance with *The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015*.

## 7 Gambling licensees' staff

### 7.1 Gambling licensees' staff

#### **Social responsibility code provision 7.1.2**

#### **Responsible gambling information for staff**

#### **All licences, including betting ancillary remote licences, but not other ancillary remote licences**

- 1 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.

## 8 Information requirements

### 8.1 Information requirements

#### Ordinary code provision 8.1.1 Information requirements – ordinary code

##### All licences

- 1 As stated earlier in this code, the Commission expects licensees to work with the Commission in an open and cooperative way and to inform the Commission of any matters that the Commission would reasonably need to be aware of in exercising its regulatory functions. These include in particular matters that will have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly and consistently with the licensing objectives.
- 2 Thus, licensees should notify the Commission, or ensure that the Commission is notified, as soon as reasonably practicable and in such form and manner as the Commission may from time to time specify<sup>1</sup>, of any matters which in their view could have a material impact on their business or affect compliance. The Commission would, in particular, expect to be notified of the occurrence of any of the following events in so far as not already notified in accordance with the conditions attached to the licensee's licence<sup>2</sup>:
  - a any material change in the licensee's structure or the operation of its business
  - b any material change in managerial responsibilities or governance arrangements
  - c any report from an internal or external auditor expressing, or giving rise to, concerns about material shortcomings in the management control or oversight of any aspect of the licensee's business related to the provision of gambling facilities.

These matters can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

Alternatively, for operators unable to access this system, you can these events by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> Events which *must* be reported, because the Commission considers them likely to have a material impact on the nature or structure of a licensee's business, are set out in general licence condition 15.2.1

## 9 Primary gambling activity

### 9.1 Primary Gambling activity

#### Ordinary code provision 9.1.1 Primary gambling activity – bingo, betting and casino Non-remote general betting, bingo and casino operating licences, except where facilities are offered under a 2005 Act casino premises licence

- 1 In order to demonstrate that sufficient facilities for the primary gambling activity for which an operating licence has been issued are being made available in each licensed premises, licensees should have regard to the following general factors:
  - a ratio of the space available to customers allocated to the primary gambling activity, to that allocated to other gambling activities
  - b the extent to which the primary gambling activity is promoted on the premises and by way of external advertising compared to other gambling activities
  - c the use, either expected or actual, to be made of the different gambling facilities.

### **Ordinary code provision 9.1.2**

#### **Primary gambling activity - bingo**

**Non-remote bingo licences, except where bingo is offered under a 2005 Act casino premises licence**

- 1** Licensees should also have regard to the following additional sector specific factors:
  - a** the frequency and extent that bingo is, or is intended to be played on the premises, compared with the periods when the premises are open
  - b** whether there is:
    - i** capacity on the premises for the generation of main stage bingo numbers
    - ii** a facility to sell tickets or cards for bingo games on the premises
    - iii** bingo available to be played whenever sessions are advertised
    - iv** display of prize board information
    - v** a means of stopping a game to claim a win.
- 2** Not all the factors here and in ordinary code **9.1.1** would need to be present in a particular case, nor do they preclude others, but the combination of those factors that are present should be sufficient to indicate that the activity is the primary one in any given premises.

## **10 Assessing local risk**

### **10.1 Assessing local risk**

#### **Social responsibility code provision 10.1.1**

##### **Assessing local risk**

**All non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences.**

***This provision comes into force on 6 April 2016***

- 1** Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy.
- 2** Licensees must review (and update as necessary) their local risk assessments:
  - a** to take account of significant changes in local circumstances, including those identified in a licensing authority's statement of licensing policy;
  - b** when there are significant changes at a licensee's premises that may affect their mitigation of local risks;
  - c** when applying for a variation of a premises licence; and
  - d** in any case, undertake a local risk assessment when applying for a new premises licence.

#### **Ordinary code provision 10.1.2**

##### **Sharing local risk assessments**

**All non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences**

***This provision comes into force on 6 April 2016***

- 1 Licensees should share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request.

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## **Keeping gambling fair and safe for all**

For further information or to register your interest in the Commission please visit our website at:

**[www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)**

Copies of this document are available in alternative formats on request.

Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP

**T** 0121 230 6666

**F** 0121 230 6720

**E** [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

**LCCP 15/07**  
**April 2015**



# GAMBLING COMMISSION

## **Conditions and codes of practice applicable to**

**Non-remote gaming machine technical: Full licences**

**Non-remote gaming machine technical: Supplier  
licences**

**Non-remote gaming machine technical: Software  
licences**

**Non-remote gambling software licences**

Including sector-specific extract of  
LCCP February 2015 (updated April 2015)

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# General introduction

- 1 This document sets out the Gambling Commission's general licence conditions and associated code of practice provisions (LCCP) under the Gambling Act 2005 (the Act) which are applicable to the specified sector(s).
- 2 The LCCP document sets out:
  - Part I: (in black)** statutory conditions attached by virtue of the Act
  - Part II: (in orange)** the suite of general conditions attached to operating licences
  - Part III: (in blue)** the principal code of practice, distinguishing between 'social responsibility' provisions and 'ordinary' provisions (the social responsibility provisions are in shaded boxes within the text).
- 3 An [index](#) to the provisions is provided at the end of this document, and if using an electronic version of this document, links are provided from both the contents and index pages to aid navigation.
- 4 Copies of LCCP can be obtained from the Commission's website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by writing to:

Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP  
T 0121 230 6666  
F 0121 230 6720  
E [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

- 5 The conditions and codes of practice contained within this document include the extract of consolidated LCCP February 2015 which is applicable to the specified sector(s). As a result, the numbering of conditions or codes of practice may not follow sequentially. The Commission's consolidated LCCP document, containing the conditions and codes of practice for all sectors is available on the website. Further information about the history of LCCP (such as the results of completed consultations) and potential future amendments to LCCP can also be found on the website.
- 6 The sector-specific extract of LCCP (Parts II and III) comes into force on **Friday 8 May 2015**.
- 7 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.

# **Part I: Statutory conditions attached by virtue of the Act**

## **Social Responsibility**

This licence is subject to a condition that the licensee ensures compliance with any relevant social responsibility provision of a code of practice issued by the Commission. The social responsibility provisions that are relevant to the activities authorised by this licence are set out in the section entitled Codes of Practice (Part III).

**(Sections 24 and 82(1) Gambling Act 2005)**

## Part II: Suite of general conditions attached to operating licences under Section 75 of the Gambling Act 2005 (the Act)

### 1 Qualified persons and personal licences

#### 1.1 Qualified persons

##### Licence condition 1.1.1

##### Qualified persons – qualifying position

All operating licences, except ancillary remote licences, issued to small-scale operators

- 1 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.
- 2 Schedule X<sup>1</sup> lists those individuals notified to the Commission as qualified persons.
- 3 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 section 104(1)(b) of the Act for amendment of the details of the licence set out in Schedule X<sup>1</sup>.
- 4 An application for amendment under section 104(1)(b) of the Act 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.
- 5 In this condition ‘qualified person’ has the same meaning as in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006.

<sup>1</sup> The schedules mentioned here will be attached to individual licences.

#### 1.2 Personal licences

##### Licence condition 1.2.1

##### Specified management offices – personal management licences

All casino, bingo, general and pool betting, betting intermediary, gaming machine general, gaming machine technical, gambling software and lottery managers licences, except ancillary remote licences

- 1 Subject to 6 and 7 below, licensees must ensure:
  - a that each individual who occupies one of the management offices specified in 2 below 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
  - b that at least one person occupies at least one of those offices.
- 2 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:
  - a the overall management and direction of the licensee’s business or affairs
  - b the licensee’s finance function as head of that function
  - c the licensee’s gambling regulatory compliance function as head of that function
  - d the licensee’s marketing function as head of that function

- e** the licensee's information technology function as head of that function in so far as it relates to gambling-related information technology and software
  - f** 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
  - g** in the case of casino and bingo licences only, oversight of the day to day management of a single set of premises licensed under Part 8 of the Act.
- 3** The person responsible for the licensee's gambling regulatory compliance function as head of that function shall not, except with the Commission's express approval, occupy any other specified management office.
- 4** 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.
- 5** 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.
- 6** Paragraphs **1** to **5** 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').
- 7** During the period of 3 years commencing with the date on which a licensee ceases to be a small-scale operator paragraphs **1** to **6** above shall apply subject to the proviso that the phrase 'each individual' in paragraph **1a** 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.

## **2 Technical standards, equipment specifications, remote gambling equipment and gambling software**

### **2.3 Technical standards and equipment specifications**

#### **Licence condition 2.3.1**

##### **Technical standards**

**All non-remote gaming machine technical and gambling software licences and remote operating licences, including remote gaming machine technical, remote gambling software and betting ancillary remote licences, but not remote betting intermediary (trading rooms only) licences**

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

## 8 Display of licensed status

### 8.1 Display of licensed status

#### Licence condition 8.1.2

##### Display of licensed status – B2B operators

##### All gaming machine technical and gambling software licences

- 1 Licensees offering the supply of gaming machines or gambling software on websites must:
  - a display the following information on the first page of the website which offers gaming machines or gambling software in reliance on the licence:
    - i a statement that they are licensed and regulated by the Gambling Commission
    - ii their licence number and
    - iii a link to the Commission's website
  - b display at least the information at a above on each page of the website which offers gaming machines or gambling software in reliance on the licence
  - c where they offer on pages of, or by means of a link from, their website, the supply of gaming machines or gambling software which are not provided in reliance on their licence, clearly distinguish those products which are regulated by the Commission from those which are not.

## 14 Access to premises

### 14.1 Access to premises

#### Licence condition 14.1.1

##### Access to premises

##### All operating licences

- 1 Licensees must have and put into effect 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

#### Licence condition 15.1.1

##### Reporting suspicion of offences etc - non-betting licences

##### All operating licences except betting, betting intermediary, ancillary remote betting and remote betting intermediary (trading rooms only) licences

- 1 Licensees must as soon as reasonably practicable provide the Commission or ensure that the Commission is provided with any information that they know relates to or 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.

## 15.2 Reporting key events and other reportable events

### Licence condition 15.2.1

#### Reporting key events

##### All operating licences

A key event is an event that could have a significant impact on the nature or structure of a licensee's business. Licensees must notify the Commission, or ensure the Commission is notified, in such form or manner as the Commission may from time to time specify, of the occurrence of any of the following key events as soon as reasonably practicable and in any event within five working days of the licensee becoming aware of the event's occurrence<sup>1</sup>.

#### Operator status

- 1** In the case of licensees which are companies, a petition being presented for their winding up or the winding up of any group company of theirs, or they or any group company being placed in administration or receivership or their directors proposing to creditors a composition in satisfaction of its debts or a scheme of arrangement of its affairs.
- 2** In the case of licensees which are bodies corporate, but not companies, any event substantially equivalent to those listed at 1 above.
- 3** In the case of a licensee who is an individual (or a partner in a partnership licensee) their being presented with a petition for their bankruptcy or sequestration or their entering into an individual voluntary arrangement.

#### Relevant persons and positions

- 4** In the case of licensees who are companies or other bodies corporate having a share capital, the name and address of any person who (whether or not already a shareholder or member) becomes a shareholder or member holding 3% or more of the issued share capital of the licensee or its holding company.
- 5** Any investment in a licensee which is not by way of subscription for shares.
- 6** The taking of any loan by the licensee, or by a group company who then makes an equivalent loan to the licensee, from any person not authorised by the Financial Conduct Authority: a copy of the loan agreement must be supplied.
- 7** The entering into an arrangement whereby a third party provides services to, or grants any licence concession or permission to, the licensee other than for full value: full details of the arrangements must be supplied.
- 8** The appointment of a person to, or a person ceasing to occupy, a 'key position': a 'key position' in relation to a licensee is:
  - a** in the case of a small-scale operator, a 'qualifying position' as defined in the Gambling Act 2005 (Definition of Small-scale Operator) Regulations 2006
  - b** in the case of an operator which is not a small-scale operator, a 'specified management office' as set out in (current) LCCP licence condition 1.2
  - c** a position the holder of which is responsible for the licensee's anti-money laundering procedures, including suspicious activity reporting
  - d** any other position for the time being designated by the Commission as a 'key position'. (Notification is required whether or not the person concerned is required to hold a personal management licence and whether or not the event notified requires the licensee to apply for a variation to amend a detail of their licence.)
- 9** Any change to the structure or organisation of the licensee's business which affects a 'key position' or the responsibilities of its holder.

#### Financial events

- 10** Any material change in the licensee's banking arrangements, in particular the termination of such arrangements or a particular facility and whether by the licensee or the provider of the arrangements.
- 11** Any breach of a covenant given to a bank or other lender.
- 12** Any default by the licensee or, where the licensee is a body corporate, by a group company in making repayment of the whole or any part of a loan on its due date.

- 13** Any court judgments (in whatever jurisdiction) against the licensee or, where the licensee is a body corporate, a group company, remaining unpaid 14 days after the date of judgment.
- 14** Where the licensee is required to have their accounts independently audited, any qualification to an auditors' report; and any unplanned change of auditor including a change prompted by a dispute or resulting from auditors being unable or unwilling to sign an unqualified audit report.
- 15** Any change in the licensee's arrangements for the protection of customer funds in accordance with the general licence condition 4 relating to the protection of customer funds (where applicable).
- 16** Where the licensee holds customer funds in a separate bank account, any deficit on reconciliation of such bank account.
- 17** Any change in the licensee's arrangements as to the methods by which, and/or the payment processors through which, the licensee accepts payment from customers using their gambling facilities (this key event applies to remote casino, bingo and betting operating licences, except ancillary and remote betting intermediary (trading room only) licences).

#### **Legal or regulatory proceedings or reports**

- 18** The grant, withdrawal or refusal of any application for a licence or other permission made by the licensee, or in the case of a licensee which is a body corporate, any group company of theirs, to a gambling regulator in another jurisdiction. In the case of a withdrawal or refusal of the application, the licensee must also notify the reasons for such withdrawal or refusal. (This condition does not apply to applications for licences or other permissions to carry on activities which would fall outside the scope of a Gambling Commission operating licence if carried out in Britain or with customers in Great Britain.)
- 19** Any investigation by a professional, statutory, regulatory or government body (in whatever jurisdiction) into the licensee's activities, or the activities in relation to the licensed entity of a personal licence holder or a person occupying a qualifying position employed by them, where such an investigation could result in the imposition of a sanction or penalty which, if imposed, could reasonably be expected to raise doubts about the licensee's continued suitability to hold a Gambling Commission licence.
- 20** The receipt of any report from a professional, statutory or other regulatory or government body (in whatever jurisdiction) of the outcome of a compliance assessment in relation to the gambling activity of the licensee or, where the licensee is a body corporate, of any group company in which at least one person who holds a key position in or in respect of the licensee holds a key position: a copy of the report should be provided where available to the licensee.
- 21** The referral to the licensee's Board, or persons performing the function of an audit or risk committee, of material concerns raised by a third party (such as an auditor) about the provision of facilities for gambling which are expressed (in whatever terms) as requiring attention as a high priority: a summary of the nature of the concerns must be provided.
- 22** The imposition by the licensee of a disciplinary sanction, including dismissal, against the holder of a personal licence or a person occupying a qualifying position for gross misconduct; or the resignation of a personal licence holder or person occupying a qualifying position following commencement of disciplinary proceedings in respect of gross misconduct against that person.
- 23** The commencement (in whatever jurisdiction) of any material litigation against the licensee or, where the licensee is a body corporate, a group company: the licensee must also notify the outcome of such litigation.
- 24** The making of a disclosure pursuant to section 330, 331, 332 or 338 of the Proceeds of Crime Act 2002 or section 19, 20, 21, 21ZA, 21ZB or 21A of the Terrorism Act 2000 (a suspicious activity report): the licensee should inform the Commission of the unique reference number issued by the United Kingdom Financial Intelligence Unit of the National Crime Agency in respect of each disclosure and for the purposes of this key event the five working day period referred to above runs from the licensee's receipt of the unique reference number.

#### **Gambling facilities**

- 25** Any breach in the licensee's information security that adversely affects the confidentiality

of customer data or prevents customers from accessing their accounts for longer than 24 hours.

- 26 Any change in the identity of the ADR entity or entities for the handling of customer disputes, as required by the social responsibility code provision on complaints and disputes.
- 27 The reference of a dispute to an ADR entity other than one in respect of which contact details were given in accordance with the social responsibility code provision on complaints and disputes; the reason for selection of that ADR entity should be given.
- 28 In the case of remote gambling, the commencement or cessation of trading on website domains (*including mobile sites or mobile device applications*) or broadcast media through which the licensee provides gambling facilities.

In this condition:

'body corporate' has the meaning ascribed to that term by section 1173 of the Companies Act 2006 or any statutory modification or re-enactment thereof

- a in respect of a company, 'holding company' and 'subsidiary' have the meaning ascribed to that term by section 1159 of the Companies Act 2006 or any statutory modification or re-enactment thereof
- b a 'group company' is any subsidiary or holding company of the licensee and any subsidiary of such holding company.

<sup>1</sup> Key events can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)  
Alternatively, for operators unable to access this system, you can report a key event by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

## Licence condition 15.2.2

### Other reportable events

#### All operating licences

- 1 Licensees must also notify the Commission in such form or manner as the Commission may from time to time specify, or ensure that the Commission is so notified, as soon as reasonably practicable of the occurrence of any of the following events<sup>1</sup>:
  - a the conclusion of a dispute referred to an ADR entity and in such case providing the Commission with a copy of the decision or note of the outcome<sup>2</sup>.
  - b any outcome adverse to the licensee of any proceedings taken against the licensee (in whatever jurisdiction) by a customer in relation to a gambling transaction; but excluding proceedings allocated to the County Court small claims track or equivalent in jurisdictions outside England and Wales.
  - c their becoming aware that a group company which is not a Commission licensee is advertising remote gambling facilities to those residing in a jurisdiction in or to which it has not previously advertised.

In this condition:

- a 'group company' has the same meaning as in condition 15.2.1; and
- b without prejudice to section 327 of the Act, 'advertising' includes: having a home page directed towards a jurisdiction and written in, or in one of, that jurisdiction's official language(s), having arrangements enabling that jurisdiction's currency to be selected for gambling or the use of payment methods available only in that jurisdiction, and providing a specific customer service facility referable to that jurisdiction.

<sup>1</sup> Events required to be notified to the Commission by 15.2.1 or 15.2.2 may be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk) or by email to: [key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> In respect of the referral of disputes to an ADR entity the licensee's attention is drawn to social responsibility code provision 6.

## 15.3 General and regulatory returns

### Licence condition 15.3.1

#### General and regulatory returns

##### All operating licences

- 1** 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:
  - a** the numbers of people making use of the facilities and the frequency of such use
  - b** the range of gambling activities provided by the licensee and the numbers of staff employed in connection with them
  - c** the licensee's policies in relation to, and experiences of, problem gambling.
- 2** In particular within 28 days of the end of each quarterly period or, for those only submitting annual returns, within 42 days of the end of each annual period, licensees must submit a Regulatory Return to the Commission containing such information as the Commission may from time to time require<sup>1</sup>.

<sup>1</sup>Regulatory returns can be submitted securely online at the Commission's website through our eServices system available at [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

For operators unable to access this system, the forms and a guide to completing them can be requested from the Commission and returned by email to: [Regulatory>Returns@gamblingcommission.gov.uk](mailto:Regulatory>Returns@gamblingcommission.gov.uk) or by post to Licensing, Gambling Commission, Victoria Square House, Victoria Square, Birmingham, B2 4BP

# Part III: Code of practice

## Introduction

This is the Commission's principal code of practice, issued under section 24 of the Gambling Act 2005.

There are two types of code provisions in this document:

- social responsibility code provisions: compliance with these is a condition of licences; therefore any breach of them by an operator may lead the Commission to review the operator's licence with a view to suspension, revocation or the imposition of a financial penalty and would also expose the operator to the risk of prosecution; these provisions are set out in shaded boxes
- ordinary code provisions: these do not have the status of operator licence conditions but set out good practice. Operators may adopt alternative approaches to those set out in ordinary code provisions if they have actively taken account of the ordinary code provision and can demonstrate that an alternative approach is reasonable in the operator's particular circumstances; or that to take an alternative approach would be acting in a similarly effective manner. Ordinary codes of practice are admissible in evidence in criminal or civil proceedings and must be taken into account in any case in which the court or tribunal think them relevant, and by the Commission in the exercise of its functions; any departure from ordinary code provisions by an operator may be taken into account by the Commission on a licence review, but cannot lead to imposition of a financial penalty; these code provisions are in the unshaded boxes in this section.

## Code provisions

### 1 General

#### 1.1 Cooperation and responsibility for third parties

**Ordinary Code Provision 1.1.1**  
**Cooperation with the Commission**  
**All licences**

- 1 As made plain in its *Statement of principles for licensing and regulation*, the Commission expects licensees to conduct their gambling operations in a way that does not put the licensing objectives at risk, to work with the Commission in an open and cooperative way and to disclose anything which the Commission would reasonably need to be aware of in exercising its regulatory functions. This includes, in particular, anything that is likely to have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly. Licensees should have this principle in mind in their approach to, and when considering their compliance with, their obligations under the conditions attached to their licence and in relation to the following provisions of this code.

**Social responsibility code provision 1.1.2**  
**Responsibility for third parties – all licences**  
**All licences**

- 1 Licensees must take responsibility for third parties with whom they contract for the provision of any aspect of the licensee's business related to the licensed activities and ensure that the terms on which they contract with such third parties:
  - a require the third party to conduct themselves in so far as they carry out activities on behalf of the licensee as if they were bound by the same licence conditions and subject to the same codes of practice as the licensee
  - b oblige the third party to provide such information to the licensee as they may reasonably require in order to enable the licensee to comply with their information reporting and other obligations to the Commission
  - c enable the licensee, subject to compliance with any dispute resolution provisions of such contract, to terminate the third party's contract promptly if, in the licensee's reasonable opinion, the third party is in breach of contract (including in particular terms included pursuant to this code provision) or has otherwise acted in a manner which is inconsistent with the licensing objectives.

### 2 Financial requirements

#### 2.1 Anti-money laundering

**Ordinary code provision 2.1.2**  
**Anti-money laundering – other than casino**  
**All licences except casino licences**

- 1 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 take into account the Commission's advice on the Proceeds of Crime Act 2002, *Duties and responsibilities under the Proceeds of Crime Act 2002 - Advice for operators (excluding casino operators)*.

## 3 Protection of children and other vulnerable persons

### 3.1 Combating problem gambling

#### Social responsibility code provision 3.1.1

##### Combating problem gambling

###### All licences

- 1 Licensees must have and put into effect policies and procedures intended to promote socially responsible gambling including the specific policies and procedures required by the provisions of section 3 of this code.
- 2 Licensees must make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling.

## 5 Marketing

### 5.1 Rewards and bonuses

#### Ordinary code provision 5.1.6

##### Compliance with advertising codes

###### All licences, except lottery licences

- 1 All advertising of gambling products and services should be undertaken in a socially responsible manner. In particular, licensees should comply with the advertising codes of practice issued by the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) which apply to the form and media in which they advertise their gambling facilities or services. For media not explicitly covered, licensees should apply the principles included in these codes of practice as if they were explicitly covered. Licensees should also follow any relevant industry code of practice on advertising, notably the Gambling Industry Code for Socially Responsible Advertising.
- 2 Licensees should also have regard to the CAP and BCAP 'Guidance on the rules for gambling advertisements' which contains a specific section on 'Misleadingness': 'free bets', or any equivalent guidance that either body may issue in future.
- 3 Marketing communications must not include a child or young person. No-one who is, or seems to be under 25 years old may be featured in gambling. No-one may behave in an adolescent, juvenile or loutish way. However, the restriction on allowing people who are, or seem to be, under 25 years old (ie: those in the 18-24 age bracket) to appear in marketing communications need not be applied:
  - a In the case of non-remote point of sale advertising material, provided that the images used depict the sporting or other activity that may be gambled on and not the activity of gambling itself and do not offend any other aspect of the advertising codes.
  - b In the case of remote gambling, provided that the images 'appear in a place where a bet can be placed directly through a transactional facility, for instance, a gambling operator's own website. The individual may only be used to illustrate specific betting selections where the individual is the subject of the bet offered. The image or other depiction used must show them in the context of the bet and

not in a gambling context' (as provided in the Gambling section of the CAP code)<sup>1</sup>.

<sup>1</sup>This is currently set out in CAP code rule 16.3.14.

### **Social responsibility code provision 5.1.7**

#### **Marketing of offers**

##### **All licences**

- 1** Licensees must satisfy themselves that their marketing communications, advertisements, and invitations to purchase (within the meaning of the Consumer Protection from Unfair Trading Regulations 2008), including 'free bet' offers, do not amount to or involve misleading actions or misleading omissions within the meaning of those Regulations.
- 2** Licensees must abide by any relevant provision of the CAP or BCAP code, as the case may be, which relates to 'free bet', 'bonus' or similar offers and in that regard follow the CAP and BCAP 'Guidance on the rules for gambling advertisements'. In particular that:
  - a** Marketing communications (which include advertisements) must state significant limitations and qualifications. Qualifications may clarify but must not contradict the claims that they qualify.
  - b** Marketing communications that include a promotion and are significantly limited by time or space must include as much information about significant conditions as practicable and must direct consumers clearly to an easily accessible alternative source where all the significant conditions of the promotion are prominently stated. Participants should be able to retain those conditions or easily access them throughout the promotion.
  - c** Terms and conditions relating to consumers' understanding of a 'free bet' offer and of the commitments that they have to make in order to take advantage of such an offer should generally be stated in the advertisement itself. Where the advertisement is limited by time or space (for example a banner advertisement), significant conditions likely to affect a consumer's decision to participate in promotions should be displayed no further than one click away from the advertisement itself. If the significant conditions are not displayed with sufficient prominence, the advertisement will be seen as misleading.
- 3** The terms and conditions of each marketing incentive must be made available for the full duration of the promotion.

### **Ordinary code provision 5.1.8**

#### **Online marketing in proximity to information on responsible gambling**

##### **All licences**

- 1** Licensees should ensure that no advertising or other marketing information, whether relating to specific offers or to gambling generally, appears on any primary web page/ screen, or micro site, that provides advice or information on responsible gambling.

## 7 Gambling licensees' staff

### 7.1 Gambling licensees' staff

#### Social responsibility code provision 7.1.2

##### Responsible gambling information for staff

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

- 1 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.

## 8 Information requirements

### 8.1 Information requirements

#### Ordinary code provision 8.1.1

##### Information requirements – ordinary code

All licences

- 1 As stated earlier in this code, the Commission expects licensees to work with the Commission in an open and cooperative way and to inform the Commission of any matters that the Commission would reasonably need to be aware of in exercising its regulatory functions. These include in particular matters that will have a material impact on the licensee's business or on the licensee's ability to conduct licensed activities compliantly and consistently with the licensing objectives.
- 2 Thus, licensees should notify the Commission, or ensure that the Commission is notified, as soon as reasonably practicable and in such form and manner as the Commission may from time to time specify<sup>1</sup>, of any matters which in their view could have a material impact on their business or affect compliance. The Commission would, in particular, expect to be notified of the occurrence of any of the following events in so far as not already notified in accordance with the conditions attached to the licensee's licence<sup>2</sup>:
  - a any material change in the licensee's structure or the operation of its business
  - b any material change in managerial responsibilities or governance arrangements
  - c any report from an internal or external auditor expressing, or giving rise to, concerns about material shortcomings in the management control or oversight of any aspect of the licensee's business related to the provision of gambling facilities.

These matters can be reported securely online at the Commission's website through our eServices system [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

Alternatively, for operators unable to access this system, you can these events by email to:

[key.events@gamblingcommission.gov.uk](mailto:key.events@gamblingcommission.gov.uk)

<sup>2</sup> Events which **must** be reported, because the Commission considers them likely to have a material impact on the nature or structure of a licensee's business, are set out in general licence condition 15.2.1

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## **Keeping gambling fair and safe for all**

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Gambling Commission  
Victoria Square House  
Victoria Square  
Birmingham B2 4BP

**T** 0121 230 6666

**F** 0121 230 6720

**E** [info@gamblingcommission.gov.uk](mailto:info@gamblingcommission.gov.uk)

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