



From: The DALO

**Level 9
Causeway Exchange
1-7 Bedford Street
Belfast
BT2 7EG**

Telephone: (028) 9090 9311
e-mail: assembly.section@communities-ni.gov.uk
Our ref: GM-1684-2021
Date: 15 December 2021

Dr Janice Thompson
Communities Committee Clerk
Room 430
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Dear Janice,

BETTING, GAMING, LOTTERIES AND AMUSEMENTS (AMENDMENT) BILL

Thank you for your letter of 10 December 2021 in relation to concerns raised by the NI On-Course Bookmakers' Association (NIOCBA) about laws affecting on-course bookmaking. I will try to address the issues the Committee has raised in the order set out below.

Licence fees for on-course bookmakers/adoption of separate on-course bookmaking licence

The present fees structure as it relates to bookmaking (both on-course and from a shop) is multi-layered and not all are within the control of the Department. Under Article 6 of the Betting, Gaming, Lotteries and Amusements (NI) Order 1985 (hereafter 'the 1985 Order') it is unlawful for any person to act as a bookmaker without a bookmaker's licence. This applies irrespective of whether the operation is on-course or from a betting shop or premises. A bookmaker's licence also permits the holder to accept bets at a dog –track or at point to point races. However, a separate premises-based licence is already required for those wanting to run a betting business from a high street office. Extra fees likewise apply in those cases.

Under Article 172 anyone applying for a bookmakers' licence must pay the Department a flat fee of £100 for the grant of a licence. The law also requires that bookmakers'



licences be renewed annually and the Department charges £1 for this regardless of the type of bookmaker. Under Article 8 of the 1985 Order bookmakers' licenses are issued by the courts, not by the Department. Courts charge their own administrative fees for their work using county and magistrates court powers separate from those available in the 1985 Order. As well as licence and court fees, all bookmakers must pay a set annual amount to the Horse Racing Fund which is administered by DAERA. Additionally, we understand that on-course bookmakers pay both Down Royal and Downpatrick an amount to cover the hire of a 'pitch'. Again, and like the court charges, the Department has no control over either the Horse Racing Fund or race course pitch fees.

The requirement to renew the bookmaker's licence on an annual basis is a measure designed to ensure that the bookmaker is considered a 'fit' person to practice and this would include, in the future, compliance with any proposed Codes of Practice. Any person, including a customer, has the opportunity to lodge an objection with the Court to the renewal of a bookmaker's licence if they believe that the bookmaker has not conducted his business properly (Articles 17 (2)).

For the Committee's information, I enclose a table showing the main statutory fees associated with applying for and renewing bookmaker's and bookmaker's office licences together with associated court and Horse Racing Fund costs as we understand these at the moment. In the past NIOCBA has told to us that it would like to see a single point of contact established for all fees. Whilst the Minister is open to at least looking at this, the outcome would ultimately depend on agreement from a number of organisations including DoJ, the courts and DAERA. In light of this, the Minister feels it would be better to consider the matter as part of a larger overhaul of the entire regulatory system which the Department wants to take forward from 2022 onwards through a Phase 2 review.

On-line betting exchange clients paying nothing for their right to act as a bookmaker

The regulation of on-line betting exchanges is also an issue which the Department would like to consider as part of Phase 2. The 1985 Order is unfortunately silent on this question. Owing to this, existing law will require a further and more comprehensive overhaul to address the deficiency. Moreover, any review will need to take account of cross-jurisdictional issues given that many of the companies that run exchanges here are registered off-shore. Obviously, we are not the only region wrestling with this problem at the moment. The South has yet to determine how it might deal with remote gambling. The system of regulation in Britain is also undergoing an extensive review. This is partly because the present law is considered inadequate when it comes to on-line. Given the various complexities, the Minister does not believe that it will be immediately possible to deal with on-line betting exchanges in a way that satisfies groups such as NIOCBA bearing in mind the time remaining to the present Assembly mandate.

The most, therefore, the Department can say for now is that, under the Gambling (Licensing and Advertising) Act 2014, it is already illegal for an on-line betting operator to advertise to consumers here without a Gambling Commission licence. Equally, whilst



the Department remains eager to bring remote operators within the scope of local legislation in due course, we have no wish to regulate either the relationship between on-course bookmakers and race track owners, or how racetrack operators control the betting choices of any racegoers they admit onto their premise for race meetings.

Whether on-course bookmakers currently fall under Clause 14(2)(A) of the Bill

The present proposal in Clause 14 of the Betting, Gaming, Lotteries and Amusements (Amendment) Bill (hereafter 'the Bill) is to create an enabling power that would, subject to certain conditions being satisfied, allow the Department to impose a statutory levy on anyone applying for the grant or renewal of a bookmaker's licence. As on-course bookmakers are required by law to hold a bookmaker's licence, then that power would automatically extend to them.

Having said that, NIOCBA is one of the reasons why the proposed enabling power in Clause 14 is structured in the way that it is. The Department recognises the enormity of the public demand for the creation of a statutory levy power covering both land based and, eventually, remote gambling. However, it is our view that enabling powers must be structured in a way that has due regard for the variations in scale and types of gambling operation that exist. These variations are almost as common within the land based industry as they are within the remote sector. We also believe that there needs to be some flexibility built into the framework to allow government to revise and update the amount and methodology for calculating different levies according to changing scales of operation as and when required.

On these grounds, and whilst the Department considers it right to seek an enabling power within primary legislation, we do not believe that actual levy rates or formulae should be pre-set through the primary law processes. Rather, our preference is for those aspects to be decided using secondary legislation, via the affirmative resolution procedure of the Assembly and with provisions for prior stakeholder consultation.

I hope you find this response helpful and I would be grateful if you could share it with Committee Members.

Yours sincerely

Fionnbarr Dorrian
Departmental Assembly Liaison Officer
Private Office

Enc



**STATUTORY FEES ASSOCIATED WITH APPLICATION AND RENEWAL OF
BOOKMAKER'S AND BOOKMAKER'S OFFICE LICENCE**

LICENCE TYPE	FEE(S)	PAYABLE TO
Bookmaker licence (general) This includes an 'on-course' licence	£100 (first time application)	Department for Communities
	£1 (renewal)	Department for Communities
	£336 (first time application)	Courts
	£243 (renewal)	Courts
	£99 (annual)	Horse Racing Fund
Bookmaking office/shop licence (required in addition to the bookmaker licence above)	£1 (first time application)	Department for Communities
	£1 (renewal)	Department for Communities
	£564 (first time application)	Courts
	£243 (notice of application for renewal)	Courts