

Northern Ireland Sports Forum Submission to the NI Assembly Committee for Communities on the Betting, Gaming, Lotteries and Amusements (Amendment) Bill

December 2021

Background

The Northern Ireland Sports Forum is a voluntary association whose membership consists of 100 National Governing Bodies of Sport, sport for development organisations, charities and umbrella bodies.

We are the recognised umbrella organisation for the voluntary sector of sport in Northern Ireland and act as the "Independent Voice of Voluntary Sport in Northern Ireland".

Our membership encompasses organisations from the major spectator sports such as Ulster Rugby, Ulster GAA, IFA, through to indoor sports such as Basketball NI, Netball NI and outdoor sports such as RYA NI, Canoe Association NI and other organisations such as Disability Sport NI, Special Olympics Ulster, The Mary Peters Trust and the Belfast City Marathon.

Our response is based on its role as the representative body for the sport and recreation sector in Northern Ireland. We are providing comments on the relevant policy areas which affect fundraising in the sports sector, namely societies' lotteries. We acknowledge that other charities which have experience of the fallout from problem gambling will be best placed to comment on the other policy issues such as gaming machines and opening hours of bookmakers.

Fundraising is vital to the maintenance and growth of sports organisations. The costs to support any size of sports organisation from grassroots clubs to governing bodies can be substantial. The sports sector has a strong track record of community-based fundraising activities and are always trying to be innovative in their approach to fundraising activities. Unfortunately, it is recognised that legislation surrounding fundraising is outdated and restrictive for sports organisations.

The NI Sports Forum welcomes this review and has the following comments to make ahead of our evidence session on 7th December.

Clause 9: "Rules for societies' lotteries".

In respect of the amendment to the rules for societies' lotteries, the NI Sports Forum believes this bill will meet the overall policy objectives. We do not envisage any objections to reforming societies lotteries as this is quite often seen as fundraising as opposed to gambling. At a roundtable discussion that was held as part of the Department for Communities consultation on the regulation of gambling in January 2020, most participants agreed that they didn't associate buying a raffle ticket as gambling but rather seen it as supporting a good cause.

Many sports clubs run a weekly lottery at £1 a ticket and this is vital income for those clubs. The ability to sell these tickets online from September was well overdue but very welcomed at the same time.

For fundraising raffles, the £1 limit on a ticket price is restrictive and cumbersome. The cost of maintaining and developing capital facilities can range from small amounts to hundreds of thousands of pounds. Fundraising at this level can be very

difficult however sports enthusiasts see supporting their local clubs through purchasing these tickets as supporting fundraising rather than a gambling opportunity. Sports clubs are well placed within their communities to cap the price of a raffle ticket based on the particular needs of the club at that time and also on the total value of ticket sales.

Sports clubs in Northern Ireland are at a disadvantage in comparison to their counterparts in GB in terms of the restrictions that are placed on them with regard to the caps on the price of a ticket, income and prizes. Many sports organisations are governed on an All-Island basis, with greater flexibility with fundraising opportunities in the South, and a significantly higher level of capital funding for sports, clubs here are again at a significant disadvantage. The NI Sports Forum welcomes the steps taken by the Minister to date however would urge changes in this area to be implemented before the end of the current mandate.

Reforms needed for other lotteries but not included in the Bill

There are no provisions in the Bill to update the rules for other types of lotteries, namely 'Private Lotteries' and 'Small Lotteries at exempt entertainments'. It would be a missed opportunity not to update the rules for these either by secondary legislation or within this Bill.

Issues with Private lotteries

The rules on private lotteries does not permit ticket sales of more than £1,000 and tickets must be sold on the premises.

The ticket sales cap of £1,000 could be increased to £10,000 as this can be a useful form of fundraising by sports organisations who have their own premises. An example of this would be a half time draw at a sports event.

As a consequence of the covid pandemic and where attendances may be reduced the requirement that private lottery tickets must be sold on the premises has meant that it would be difficult to run a private lottery as the requirement is that tickets must be sold on the premises. Private lotteries should be permitted to sell their tickets by electronic means to those who would normally frequent an event or game.

Issues with Small lotteries at exempt entertainments

The rules for small lotteries at exempt entertainments are only permitted to be sold 'on the premises on which the entertainment takes place and during the progress of the entertainment'.

We recommend that the words 'on the premises' is removed from Section 133(2)(b) of the 1985 Order to allow for exempt entertainments to happen online.

We would also question why raffle tickets are not permitted to be sold prior to an event and would ask that this prohibition be removed also as, in practice, many organisations do sell the raffle tickets prior to the event without knowing that they shouldn't.

It is also a requirement for the organisation to notify the police 7 days in advance that a small lottery is happening at an exempt entertainment. We would question if this is still necessary to be included given that many raffles that take place are unlikely to be notified to the police. The role of a regulatory body has been suggested by other organisations and could be considered.

Clause 11: "Prize competitions not requiring persons to pay to participate".

While free prize draws may be something which are intended to be used by commercial organisations, they are also of interest to some sports organisations.

The NI Sports Forum is unsure however if Section 168 of the 1985 Order also applies to sports, charities and fundraising appeals as 168 (1) refers to conducting prize competitions through 'any newspaper, or in connection with any trade or business'.

As outlined earlier, sports clubs can be innovative in their approach to fundraising activities. A recent trend in local fundraising is through the 'Crowdfunder' concept. This is currently being used by Sport NI in the Build Back Better- Project Re-Boot programme. Crowdfunding is an online vehicle where people donate towards a good cause within their local community such as facility development, coaching programmes or health and wellbeing initiatives. A club may want to reward any donors with being entered into a free prize draw as a thanks for making a donation to their Crowdfunder campaign. Providing an opportunity to reward donors with an opportunity to be entered into a raffle (for a club polo shirt, ticket to a game etc) will be a thanks for supporting a fundraising activity rather than a gambling exercise due to the small tokenistic scale of prizes potentially offered.

Response ID ANON-T16K-FZ4B-V

Submitted to Betting, Gaming, Lotteries and Amusements (Amendment) Bill - Call for evidence and views Submitted on 2021-11-10 10:40:22

Introduction

1 How would you like your response to be published?

I would like my response to be published.

2 Are you content that any of your suggestions which have been published to the Committee or the Assembly may inspire the text of an amendment?

Yes

3 What is your name?

Name

Ciaran Kearney

4 What is your email address?

Email:

ciarankearney@nisf.net

5 Please indicate if you are providing a response:

On behalf of a organisation or business

If on behalf of an organisation or business, please state its name::

Northern Ireland Sports Forum

Policy objectives of the Bill

6 Do you think that the Bill will meet its overall policy objectives to: address a number of specific anomalies with regard to the current regulation of land based betting, gaming, lottery and amusement activities and to strengthen existing regulatory protections for operators and consumers as well as young people and those who may be vulnerable to gambling harm?

Yes

Please explain your answer:

In respect of the amendment to the rules for societies' lotteries, it does. The NI Spoorts Forum does not envisage any objections to reforming societies lotteries as this is quite often seen as fundraising as opposed to gambling. We attended a consultation with Department for Communities consultation on the regulation of gambling in January 2020, most participants agreed that they didn't associate buying a raffle ticket as gambling but rather seen it as supporting a good cause. Fundraising through raffles etc is vital for the sports sector and community organisations.

7 Do you foresee any unintended consequences of any of the policy objectives of the Bill?

Other

Please explain your answer:

We are concerned that required changes have not been included in initial changes and this may impact overall legislation requirements.

Clauses 1, 2 and 3

8 Clause 1: "Interpretation": confirms that all references to "the 1985 Order" within the Bill mean the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985. Do you have any comments on this?

Comments on References as per Clause 1:

9 Clause 2: "Opening of licensed offices on Sunday and Good Friday". Do you agree with this clause, which amends Article 31 of the 1985 Order to allow licensed offices to be opened for the transaction of business on Sundays and Good Fridays, but not on Christmas Day including Christmas Days which fall on a Sunday?

Not Answered

Please explain your answer:

10 Clause 3: "Sunday working in a licensed office". This clause will amend Schedule 8A of the 1985 Order to ensure that the rights of individuals employed in a licensed bookmakers' office will now mirror those of individuals who work at a track for a bookmaker with respect to Sunday working. Do you agree with this Clause?

Not Answered

Please explain your answer:

11 Do you think Clause 3 will allow sufficient protection for those working on a Sunday in this industry?

Not Answered

Please explain your answer:

Clauses 4, 5 and 6

12 Clause 4: "Pool betting". This clause will amend Article 44 of the 1985 Order to restrict any person, other than a registered pool promoter, from carrying on any pool betting business except at a licensed track and except by means of a totalisator operated in accordance with Article 45. Do you agree that it is right to restrict pool betting business to registered pool promoters?

Not Answered

Please explain your answer:

13 Clause 5: "Persons who may participate in bingo at a bingo club". This Clause will amend Article 75 of the 1985 Order to ensure that only members of a bingo club and their guests are allowed to participate or take part in bingo at a bingo club premises. The amendment also means that members of the bingo club and their guests may also take part in bingo at the premises irrespective of any time elapsing since application for club membership was made. Do you agree with this cause?

Not Answered

Please explain your answer:

14 Clause 5 also removes the current exemption which allows cleaners or certain other employees of the bingo club as may be prescribed by regulations, to play bingo. Do you agree with this cause?

Not Answered

Please explain your answer:

15 Clause 6: "Days when bingo and use of gaming machines permitted on bingo club premises". Do you agree with this clause which will amend Articles 76 and 108 of the 1985 Order to allow bingo to take place and gaming machines to be made available on bingo club premises on Sundays and Good Fridays, but not on Christmas Day including Christmas Days which fall on a Sunday?

Not Answered

Please explain your answer:

Clauses 7, 8 and 9

16 Clause 7: "Offence of inviting, etc. person under 18 to play gaming machine". This clause inserts a new entry into the 1985 Order to create a new offence in relation to the playing of gaming machines by persons under the age of 18. Punishment can be imprisonment for 6 months. Do you agree with this new offence?

Not Answered

Please explain your answer:

17 Clause 7: Do you agree with the proposed level of punishment?

Not Answered

Please explain your answer:

18 Clause 8: "Arrangements not requiring persons to pay to participate". This clause amends Article 131 of the 1985 Order and introduces a new Schedule 15A to the Order with the result that it removes free to enter prize competition arrangements from the definition of a lottery. Do you agree with the removal of free to enter prize competition arrangements from the definition of a lottery?

Ves

Please explain your answer:

It would seem logical to remove this from the definition of a lottery.

19 Clause 9: "Rules for societies' lotteries". This clause amends Article 137 of the 1985 Order to remove the £1 ticket price for society lotteries – do you agree with this removal?

Yes

Please explain your answer:

The current rules for societies' lotteries are completely outdated and limiting the fundraising capacity of many of our sports clubs and the NI Sports Forum warmly welcomes the provision to remove the £1 ticket price of a society lottery ticket.

Sports clubs have a strong ethos when it comes to fundraising. Limiting tickets to £1 is a barrier to the development of sporting activity or capital development for facilities. Sports clubs are embedded in their communities should be permitted to set its own ticket price as it is better placed to know what price would be acceptable to charge.

Sports club members see the activity as a way of supporting the activities of their clubs rather than overall ambition to win a prize.

Provision to increase the caps on ticket sales and prizes have not been included in this Bill, that is, the £80,000 cap on total value of ticket sales in each lottery has not been revised, neither has the £25,000 cap on the maximum value of a prize.

The NI Sports Forum understands that the Minister would be considering amending these caps by secondary legislation (as opposed to inclusion in primary legislation) as she has the power to do so under Article 137(21) of the existing Betting, Gaming, Lotteries and Amusements (NI) Order 1985.

While we appreciate that the Minister has already used her powers to permit Societies to sell their lottery tickets online from 7 September 2021 there has been no date set for further regulations to increase the caps on ticket sales and prizes that we are aware of. Secondary legislation should be implemented to change these caps before April 2022 otherwise a future Minister may not see the need for this to happen.

20 Clause 9 will also amend Article 137 of the 1985 Order to alter the limit on the amount which may be appropriated for the expenses of a society lottery to 20% of the whole proceeds. Do you feel that this is an appropriate limit?

Yes

Please explain your answer:

This would appear appropriate

Clauses 10 and 11

21 Clause 10: "Qualifications by age, residence or corporate status for licences, certificates and permits". This Clause amends Articles 7, 61, 84 and 141 respectively of the 1985 Order to reduce the lower age limit from 21 to 18 years of age and remove the residency restrictions for grant of a bookmaker's licence, bingo club licence, a gaming machine certificate and permit and a lottery certificate. Do you feel that it is appropriate to lower the age limit from 21 years to 18 years of age in any or all of these categories?

Yes

Please explain your answer:

18 years of age seems to be reasonable.

22 Clause 10: Do you feel that it is appropriate to remove the residency restrictions?

Other

Please explain your answer:

Would this mean that lottery consultants in GB could then promote GB society lotteries in NI? If so, this provision should only be included if Societies in NI are able to generate the same income from a societies lottery and have the same prizes as Societies are permitted in GB.

23 Clause 10 also repeals Articles 7,61,84 and 141 to allow certain corporate bodies to hold a bookmaker's licence, bingo club licence, a gaming machine certificate and permit and a lottery certificate. Do you feel this is appropriate?

Not Answered

Please explain your answer:

24 Clause 10 also amends Articles 109 and 155 respectively of the 1985 Order to allow a body corporate to hold an amusement permit or a pleasure permit. Do you feel this is appropriate?

Not Answered

Please explain your answer:

25 Clause 11: "Prize competitions not requiring persons to pay to participate". This Clause introduces a new paragraph to Article 168 which specifies that a prize competition arrangement is not prohibited by Article 168 unless persons are required to pay to participate in the arrangement and refers to new Schedule 15A (Lotteries and Competitions: Requirements to Pay in Order to Participate) of the 1985 Order (introduced under Clause 8), as setting out what does and does not constitute a requirement to pay to participate in such an arrangement. Do you feel it is appropriate for there not to be a requirement to pay to participate?

Yes

Please explain your answer:

While free prize draws may be something which would be used by commercial organisations, they may also be of interest to some sports clubs in NI

Clauses 12 and 13

26 Clause 12: "Cheating". This clause will replace the existing offence Article 169 in the 1985 Order with a new Article 169 to make it an offence for any person to either cheat at gambling or do anything to enable or assist another person to cheat at gambling. Do you think this clause is sufficient to deal with the offence of cheating?

Not Answered

Please explain your answer:

27 Clause 13: "Enforceability of gambling contracts". This clause repeals Articles 170 and 171 of the 1985 Order and will provide for contracts relating to gambling to be legally enforced without prejudice to any law which prohibits the enforcement of contracts on unlawfulness grounds. Do you think that it is appropriate that contracts relating to gambling are legally enforced?

Not Answered

Please explain your answer:

Clause 14

28 Clause 14: "Industry Levy". This Clause inserts a new Article 172A (Industry Levy) into the 1985 Order to will allow the Department to make regulations with regard to the payment of a levy to the Department by every person who intends to apply for the grant or renewal of a bookmakers' licence, bookmaking office licence, bingo club licence, gaming machine certificate or permit and amusement permit. Do you think that is right to introduce such a levy?

Yes

Please explain your answer:

The primary market for bookmakers would be the sporting sector. A levy placed on bookmakers etc could provide further investment in sport and physical activity programmes to encourage more people to become phyically asctive and therefore prevent long lasting poor health.

29 Clause 14: The aim of the levy is that it will be expended on projects related to gambling addiction or other associated forms of harm and exploitation and that financial assistance may be provided by grants, loans or any other form of financial assistance. Do you think that this is an appropriate use of the levy?

Other

Please explain your answer:

While this is an important area and the NI Sports Forum would support this approach, we firmly believe that could provide further investment in sport and physical activity programmes to encourage more people to become phyically asctive and therefore prevent long lasting poor health. Pressures on the health service make increased participation in sport and physical activity more important than ever. A percentage of the levy to support the vision of the upcoming Strategy on Sport and Physical would be transformative for grassroots sports clubs and governing bodies. Prevention is better than the cure when it comes to health treatment

30 Clause 14: Do you have any further comments on what the regulations should cover or how the levy should be spent?

Any further comments?:

A large percentage for sport and physical activities would be appropriate.

Clause 15

31 Clause 15: "Code of Practice". This Clause inserts a new Article 180A (Code of practice) into the 1985 Order and requires the Department to issue one or more mandatory Codes of practice about the manner in which facilities for gambling are provided. Do you feel that such a mandatory Code(s) of practice is appropriate?

Not Answered

Please explain your answer:

32 What kinds of Codes of practice do you think the Department should issue?

What kinds of codes of practice do you think the Department should issue?:

33 Do you have any other comments to make on the Code(s) of practice?

Do you have any other comments to make on the Code of Practice?:

General Views & Comments and Second Stage of Reform

34 Do you have any other views or comments you wish to make in connection with this Bill?

Do you have any other views or comments you wish to make in connection with the current Bill?:

It is vitally important for our sector that this passes before the end of the current mandate.

35 "Second Stage of Reform" Are there any issues that the Department plan to deal with in the second stage of reforms that you feel should be dealt with in this first Bill?

Not Answered

Please explain your answer:

36 What issues would you like to see addressed in the second stage of the reforms?

What issues would you like to see addressed in the second stage of the reforms?: