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REGULATION AND CONTROL OF GAMBLING

Research and Library Services

This research paper has been prepared for the Committee on Social Development. The paper briefly outlines the current legislative framework in Northern Ireland, and details the new arrangements enacted in Great Britain under the Gambling Act 2005. The paper also includes a synopsis of the current position in the Republic of Ireland.

Library Research Papers are compiled for the benefit of Members of The Assembly and their personal staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public.

SUMMARY OF KEY POINTS

- Northern Ireland has its own legislative system of gambling, which differs from that which operates in GB.
- Advances in technology, such as online gambling, necessitated an update to the GB system
- The GB legislation has an explicit focus on the promotion of socially responsible gambling
- Surveys suggest that the prevalence of gambling has been steadily decreasing over the past decade
- Figures for problem gambling estimate that around a quarter of a million people in GB are problem gamblers
- Aside from charities aimed at helping problem gamblers, treatment within the Health Service is based around generic mental-health provision

SOME FACTS ABOUT GAMBLING

Gambling is permissible all year round in GB, except Christmas Day

Gross gaming yield in GB for 2006–07 was £9.9 billion

Industry turnover in GB for 2006–07 was £84.3 million

The National Lottery is the most popular form of gambling in the UK

Of the £29 billion donated to good causes, £766,197,863 has been allocated to organisations and bodies in Northern Ireland

The first law relating to gambling is thought to date from 1388, which prevented the playing of games on the Sabbath

CONTENTS

Section	Page
Northern Ireland	1
Great Britain	2
Historical summary	2
Evolution of the new legislation	2
Gambling Act 2005	3
The licensing objectives	4
The licensing regime	4
Licensing arrangements	4
Operating licences	4
Personal licences	5
Premises licences	5
The Gambling Commission	5
Investigatory Powers	6
Casinos	7
Remote gambling	7
Advertising	8
Foreign advertising and the White List	8
Problem gambling	9
Treatment	9
British Gambling Prevalence Survey	10
National Lottery	10
Responsible gambling	11
Ireland	12
Reforming the law	12
Future Developments	12
Discussion	13

NORTHERN IRELAND

1. Betting and gaming in Northern Ireland is regulated by the social policy branch of the Department for Social Development. Neither the current regulatory body, the Gambling Commission, nor its predecessor, the Gaming Board of Great Britain, has any remit in Northern Ireland. Northern Ireland also has its own legislation. The principal statute is the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985, as amended, and associated subordinate legislation. The National Lottery is a reserved matter under Schedule 2 of the Northern Ireland Act 1998.
2. There is a dearth of statistical information on the prevalence of gambling in Northern Ireland. However, figures are available in respect of the number of betting establishments and the number of people employed by the industry. The gambling industry in Northern Ireland employs over 2,200 people.¹ There are a total of 227 licensed bookmakers, four licensed betting tracks², and 331 betting shops. Following the acquisition of Northwest Bookmakers in 2006 and Eastwood Bookmakers in 2008, Ladbrokes³ is the largest bookmaker in Northern Ireland, with around 70 premises. This equates to a market share of 23%.

THE NORTHERN IRELAND SYSTEM

3. Betting and gambling in Northern Ireland are regulated through various forms of certificates, licences and permits, depending on the relevant form of gambling, which are issued by a range of bodies. Courts are responsible for granting licences for bookmakers, bookmaking offices and bingo clubs. Courts also issue licences for the supply and maintenance of gaming machines. District councils are responsible for the issue of permits to operate amusement arcades and gaming machine centres. Track licenses are issued by the Department for Social Development.
4. One main difference between the Northern Ireland legislative framework and GB law is the retention of what is known as the 'demand criteria'. Under article 12(4)(j) of the 1985 Order, a county court can only grant a bookmaking office licence where there is a requisite demand.⁴
5. Certain aspects of the law on betting and gambling were updated through the Betting and Gaming (Northern Ireland) 2004, such as allowing on-course betting on Sundays⁵, and the lifting of the prohibition on the advertisement of bingo.

¹ Employment figures are from the Department of Enterprise, Trade and Investment's 2005 census of employment.

² There are two horseracing tracks at Downpatrick and Down Royal, and two dog-racing tracks at Brandywell and Drumbo.

³ Ladbrokes UK operations cover well over 2,000 betting shops. The company is also the largest bookmaker in the Republic, where it operates over 200 betting shops.

⁴ Article 12(4)(j) states that a county court must be satisfied that: 'having regard to the demand in the locality in which the premises to which the application relates are situated for facilities afforded by licensed offices, the number of such offices for the time being available (including any premises for which a licence is provisionally granted) to meet that demand is inadequate.'

⁵ Unlike GB and the Republic, where off-course betting is legal on Sundays, the prohibition on Sunday opening for bookmaking offices still applies in Northern Ireland.

GREAT BRITAIN

6. There has been legislative regulation of gambling for more than five centuries, with 'moral, social and economic imperatives' shaping the legislation.⁶ Changes in gambling laws have largely been predicated by changing societal attitudes. The Gambling Act 2005 is the most recent reform of gambling legislation, which updated several statutes that had been in force for several decades. In addition to moving towards a more deregulated market, the main impetus for the new Act was to reflect the changes in the availability of betting and gambling mediums through new technologies, such as internet and interactive betting, and to address social concerns in relation to problem gambling.

HISTORICAL SUMMARY

7. Prior to the introduction of the Gambling Act 2005, gaming and betting was regulated by three statutes: Betting, Gaming and Lotteries Act of 1963, Gaming Act 1968; and the Lotteries and Amusement Act of 1976. The industry was regulated by the Gaming Board for Great Britain.
8. A review of gambling legislation was announced in December 1999, and the existing legislation was replaced with the Gambling Act 2005. The 2005 Act was implemented in stages. The Gaming Board for Great Britain was replaced with a new regulatory body, the Gambling Commission, which is responsible for monitoring and regulating all forms of betting and gambling with the exceptions of the National Lottery and spread betting, which are regulated by the National Lottery Commission and the Financial Services Authority respectively.
9. The Acts passed during the 1960s were designed to regulate commercial gaming, which was 'out of control'. Furthermore, the Gaming Act 1968 'recognised that commercial gaming could no longer be suppressed, but instead sought to bring it under strict controls.'⁷

EVOLUTION OF THE NEW LEGISLATION

10. While the 1968 Act served its purpose for the time when it was enacted, attitudinal changes to gambling, and, perhaps more so, technological advances in how betting and gaming were offered, meant that, in more recent times, the legislative framework was rooted 'in an era when gambling was widely regarded as an activity which was at best morally questionable.'⁸
11. The process of reforming gambling law in GB began in 2000, when the Government established the independent Gambling Review Body, which was tasked with devising proposals for a new legislative framework. Aware of the limits as regards legislating for betting gaming as 'complete prohibition or complete deregulation', the review body concluded that:

⁶ Roy Light (2007) The Gambling Act 2005: Regulatory Containment and Market Control, *Modern Law Review*, Volume 70(4), page 627.

⁷ Gambling Review Body (July 2001) Gambling Review Report, The Stationery Office, London, page 12.

⁸ Department for Culture, Media and Sport (March 2002) A safe bet for success – modernising Britain's gambling laws, The Stationery Office, London, page 3.

*'The most difficult general issue that we have had to solve concerns that familiar dilemma between the desire to permit free choice and the fear that such choice may lead to harm either to the individual or to society more widely.'*⁹

12. The review body's report was published in July 2001 and included some 176 recommendations, which were broadly accepted by Government. A Government White Paper, 'A safe bet for success', was issued in March 2002. The draft Bill was published in November 2003, followed by additional draft clauses in February and March 2004. The Bill was introduced to the House of Commons on 18 October 2004 and received Royal Assent on 7 April 2005. The final provisions of the Act came into force on 1 September 2007. During the Bill's passage through Parliament, the Government had to make several concessions, most notably a dramatic reduction in the number of regional casinos from 40 to one.¹⁰
13. Media coverage of the Bill's provisions and passage through Parliament largely concerned the provisions relating to casinos, specifically the so-called super casino. The plan to open a regional casino in Manchester was eventually shelved.

GAMBLING ACT 2005

14. The new legislative framework for betting and gaming in GB came into full operation on 1 September 2007. Where some restrictions were removed or relaxed (such as rules on advertising and casino membership), the new law introduced a range of new requirements with which gambling operators had to comply. This was in addition to associated regulations, various guidance documents and codes of practice.
15. The Gambling Act 2005 replaced three main Acts that had been in existence for several decades. The age of the existing legislation was part of the impetus for the reform, but other factors were also prevalent, such as the emergence of remote gambling and focus on socially responsible gambling.

THE LICENSING OBJECTIVES

16. Section 1 of the 2005 Act outlines three 'licensing objectives':
 - Keeping gambling crime-free
 - Ensuring fair and open gambling
 - Protection of children and vulnerable adults
17. These considerations form the cornerstone of Act, and ensure that fair and responsible gambling is at the heart of gambling in GB. Essentially, it is illegal to operate a gambling concern in GB unless it is within the regulatory and licensing framework outlined in the 2005 Act.

⁹ Gambling Review Body (July 2001) Gambling Review Report, page 7.

¹⁰ However, plans for a regional casino to be located in Manchester were subsequently shelved earlier this year.

THE LICENSING REGIME

18. The 2005 Act introduces the three forms of licence outlined: operational and personal licences, which are issued by the Gambling Commission, and premises licences, which are granted by licensing authorities. Operators can apply for one of ten types of licence, depending on the sort of gambling required. Separate licences are required for each form of gambling, as there is no form of general licence. Where both remote and non-remote gambling is offered, separate licences are also required. In addition to an operator's licence, employees with a management or operational role (for example, a betting shop manager and a cashier) must apply for a personal licence. In essence, therefore, for legal gambling to take place, licences are required for the operator, employees, and the premises on which the gambling is to take place.

LICENSING ARRANGEMENTS

19. The 2005 Act introduced a licensing system with three forms of licence: operating, personal and premises. Operating and personal licences are issued by the Gambling Commission, with premises licences being granted by licensing authorities in England and Wales, and by licensing boards in Scotland. Generally, this function is performed by local authorities.

OPERATING LICENCES

20. Under the 2005 Act, an operating licence is required for each of the following: casinos; bingo; general betting; pool betting; betting intermediary, gaming machines at an adult gaming centre, gaming machines at a family entertainment centre, gaming machine technical licence; gambling software operating licence, and lottery operating licence. Under section 106 of the 2005 Act, the Gambling Commission must keep a register of operating licences.
21. An operating licence allows the licence-holder to provide non-remote gambling. However, the premises themselves must also be licensed under the Act. Furthermore, if an operator wishes to offer both non-remote and remote licensing, separate licences are required. Licences for various forms of gambling may be combined. However, any combinations must be either remote or non-remote.

PERSONAL LICENCES

22. In addition to an operating licence, operators must ensure that at least one person at management level or operational level must hold a personal licence.¹¹ Personal licences are granted by the Gambling Commission, and are of indefinite duration.

Premises Licences

23. Premises licences are issued in respect of premises where the following forms of gambling can take place: casinos; bingo halls; betting premises, including betting

¹¹ There is an exception for small-scale operators.

tracks; adult gaming centres and family entertainment centres. Generally, premises licences are of an unlimited duration. In most cases, an operational licence will be required before a local authority can issue a premises licence. However, this does not apply to on-course bookmaker, as the occupier of the track will hold a track operating licence.

24. Under section 156 of the Act, licensing authorities must keep a register of premises licences within their area. Under section 349 of the Act, licensing authorities are required to have prepare and licensing policy in respect of their functions under the Act. Licensing policy statements last for a three-year period, although there is provision for them to be amended or altered at any time.

THE GAMBLING COMMISSION

25. Part 2 of the 2005 Act established the Gambling Commission as the regulatory body for the new gambling regime. The Commission subsumed the functions of its predecessor, the Gaming Board of Great Britain. The licensing objectives (keeping gambling crime-free, ensuring a fair and open industry, and protecting children and vulnerable groups) form a central function of the Commission's statutory responsibilities, which are detailed in section 22 of the Act:

- (a) to pursue, and wherever appropriate, to have regard to, the licensing objectives, and
- (b) to permit gambling, in so far as the Commission thinks it reasonably consistent with pursuit of the licensing objectives.

26. The Commission is under a statutory responsibility to publish a statement outlining the overarching principles that are to be applied in exercising its functions. The Commission must also explain how those principles will assist in the pursuit of the licensing objectives. Before the publication of the statement, section 23(5) of the Act details a list of persons and bodies that must be consulted prior to the publication of a statement. These are:

- (a) Secretary of State;
- (b) HM Commissioners of Customs and Excise
- (c) Representatives of local authorities / licensing boards;
- (d) Chief constables;
- (e) Representatives of the gambling industry;
- (f) One or more persons who have knowledge of the social problems associated with gambling;
- (g) As appropriate, members of the public.

27. The requirement to consult with those who have knowledge of the social problems of gambling is significant, as it ensures that bodies and organisations that deal with gambling addiction will have had an input into Commission guidance and other publications. The 2005 Act has a definite focus on socially responsible gambling that is absent from the Northern Ireland legislation.

28. The Commission is also under a duty to publish guidance and codes of practice on various issues. In addition to its duties as a regulatory body, the Commission

must also advise the Secretary of State on the incidence, manner, effects and regulation of gambling.¹²

INVESTIGATORY POWERS

29. Perhaps one of the most important functions bestowed on the Commission through the 2005 Act is the power to investigate and prosecute offences. Inspection and enforcement powers rest with authorised officers under the 2005 Act, which include employees of the Gambling Commission, police constables and local authority officers.
30. Authorised officers have a wide range of powers under the Act, although these must be exercised proportionately. These include powers of entry, which is prohibited unless a judicial warrant is in force, and powers to question any person on the premises in question. Authorised officers can also request access to records kept on the premises, or to have copies thereof, and a power of removal and retention of anything that an officer believes may have been used in the commission of an offence. It is an offence to obstruct, without reasonable cause, an authorised officer, which carries a penalty of a level-3 fine, which is £1,000.
31. The most recent report from the Gambling Commission¹³, which covers the financial year April 2007 to March 2008, states that in excess of 1,000 complaints were handled, 81 of which were referred to the Commission's enforcement team. Some 17 personal licences (issued under the 2005 Act) and 10 certificates (issued under the old legislative regime) were revoked during this period. Enforcement activities were largely concerned with breaches of the 2005 Act.

CASINOS

32. One of the more newsworthy provisions of the Gambling Act 2005 was section 7, which dealt with casinos. Under section 7, the Secretary of State is conferred with a regulation-making power in respect of small, large and regional casinos. It is this last category that was the subject of intense media coverage, primarily of the unlimited stake and prize money that would have been permissible. The Act provides for one regional casino — more commonly referred to as a 'super-casino' or 'Las Vegas-style casino.' Originally, the Government had planned to legislate for 40 regional casinos, but this was eventually reduced initially to eight and finally to one.
33. A total of 27 local authorities applied for the right to establish the super casino. The independent Casino Advisory Panel prepared a shortlist of eight locations, including Blackpool, the former Millennium Dome in London, and Manchester. Blackpool had been favoured as the successful location, and there was surprise when Manchester was chosen, as it had been the last preference on the shortlist. However, plans to open a regional casino were abandoned earlier this year, following what Secretary of State for Culture Andy Burnham called 'no consensus' that regeneration in the area would be boosted through opening a regional casino.

¹² Section 26, Gambling Act 2005.

¹³ Gambling Commission (2008) Annual Report 2007/08, The Stationery Office, London, page 8.

34. Although there are no casinos operating in Northern Ireland, it is noteworthy to mention that Stranraer has been given permission to open a small casino.¹⁴

REMOTE GAMBLING

35. Remote gambling has been defined as: ‘that in which the participants are not face to face on the same premises’¹⁵. The proliferation of remote forms of gambling was one of the main factors in reforming gambling law in GB, because laws passed in the 1960s ‘simply never envisaged a gaming machine operating from a remote computer sitting room on the other side of the world.’¹⁶ Section 4 of the 2005 Act defines remote gambling as occurring through the following:

- (a) Internet;
- (b) Telephone;
- (c) Television;
- (d) Radio; or
- (e) Any other electronic communication.¹⁷

36. DCMS concurred with the Gambling Review Report that ‘the prohibition of on-line gambling by British consumers would be an entirely unrealistic objective, even if it were thought to be desirable.’¹⁸ By legislating for remote gambling, coupled with requirements in relation to licensing conditions and advertising, the aim is to provide a system of robust regulation to encourage online operators to base themselves within the UK system. Remote operators, like non-remote operators, must have policies to promote socially responsible gambling. Because remote gambling need not involve a person leaving their home, possible measures include setting credit limits, warning messages informing players how much they have spent, etc.

ADVERTISING

37. The 2005 Act introduces a new regulatory framework for the advertising of gambling, allowing wider advertisement of betting and gambling services than before. Advertising can take many forms, such as broadcast and print media, sponsorship and branding, or internet or mobile phone advertising. The new advertising framework removes some of the anomalies that existed under the previous legislative framework. For example, prior to September 2007, television betting and casinos were not permitted to advertise on television. This is now permitted under the new regulatory framework.

38. Enforcement of the law in relation to the advertising of gambling is the responsibility of the Gambling Commission, the Advertising Standards Authority,

¹⁴ Article 4(1)(g) of The Gambling Geographical Distribution of Casino Licences) Order 2007.

¹⁵ Roy Light (2007) The Gambling Act 2005: Regulatory Containment and Market Control, *Modern Law Review*, Volume 70(4), page 644.

¹⁶ Department of Culture, Media and Sport (March 2005) Five Year Plan: Living life to the full, page 46.

¹⁷ Subsection 4(e) ‘future-proofs’ the legislation to allow for further technological developments on how gambling may be accessed.

¹⁸ Department for Culture, Media and Sport (March 2002) A safe bet for success — modernising Britain’s gambling laws, The Stationery Office, London, page 22.

and the industry regulator, Ofcom. Codes of practice outline the standards to which gambling advertisements must adhere. In particular, the codes of practice outline what is expected of advertisers in relation to the protection of children and young people and awareness of responsible gambling.

39. In addition to legislative duties in relation to responsible gambling, the gambling industry has developed a code of practice¹⁹ aimed at the self-regulation of advertising, which contains additional standards to existing codes of practice. Generally, advertisements should not seek to glamorise gambling or portray gambling as a solution to financial problems, and should not be designed to appeal to young people.
40. Measures in the voluntary code include a ban on gambling advertising before the watershed, with the exception of sports betting and bingo and lottery advertisements; a ban on gambling logos on children's replica sports kits and the inclusion of 'social responsibility signposting' in advertisements to www.gambleaware.co.uk.
41. Because this is a new area for the gambling industry, the advertising of gambling and betting services is being monitored, particularly because this is an arena where the industry is largely self-regulating. Under section 328 of the 2005 Act, however, the Secretary of State can make regulations on the form, content, timing and location of advertisements.

FOREIGN ADVERTISING AND THE WHITE LIST

42. Advertising foreign gambling, other than a lottery such as Euromillions, for example, is illegal. The definition of foreign gambling refers to remote gambling in a state outwith the European Economic Area. The aim of this provision is to prohibit advertising of foreign gambling. However, under section 331(4) of the Act, the Secretary of State can specify that a country or region be considered as if it were an EEA state.
43. This process is known as 'white-listing', and in effect means that operators can advertise in GB. Currently, three areas have made it on to the White List: Tasmania, the Isle of Man and Alderney. To be eligible for white-listing, a country or region must demonstrate that they have a system of gambling regulation that the Secretary of State considers similarly robust to that of GB.
44. The ban on foreign advertising meant that around 1,000 gambling websites were banned from advertising. Applications for white-listing from several countries and regions have been refused, and several firms have relocated to areas that are on the White List. Indeed, in banning foreign advertising and relaxing the GB regime, the Government's aim was to make UK-regulated sites more appealing to online gamblers. The industry code suggests that UK-licensed or 'white-listed' operators include a form of words informing the audience that their services are regulated by the Gambling Commission.

¹⁹ Gambling industry code for socially responsible advertising (August 2007). The document is available online:
<http://www.rga.eu.com/shopping/images/Code%20on%20SR%20in%20advertising.pdf>

PROBLEM GAMBLING

45. The extent of problem gambling in Northern Ireland is difficult to quantify, as there is a dearth of statistics, both on the prevalence of gambling and the number of problem gamblers. Figures from surveys in GB estimate that around 0.5% or 0.6% per cent of the population are problem gamblers. In population terms as regards GB, this differential equates to between 236,000 and 284,000 people.

TREATMENT

46. In addition to research into gambling addiction, the Responsibility in Gambling Trust also manages a gambling awareness website, www.gambleaware.co.uk, which is displayed on print and broadcast advertisements. In GB, the main organisations offering assistance to people with a gambling problem are the charities GamCare, the Gordon House Association, and Gamblers Anonymous (GA). GA also organises meetings²⁰ and offers a telephone counselling service in Northern Ireland.
47. In an answer to a question for written answer²¹, the Minister of Health, Social Services and Public Safety, Michael McGimpsey, outlined the treatment available for people with a gambling addiction:
- 'People with gambling addiction related illnesses are treated within mainstream mental health services. In particular, they have access to psychotherapy, counselling and other support services... There is no record of patients receiving treatment solely for a gambling addiction although those patients with a co-existent mental illness or alcohol problem may receive therapy for gambling as part of their treatment.'*

BRITISH GAMBLING PREVALENCE SURVEY

48. The first large-scale survey into the prevalence of gambling was conducted by the charity GamCare in 1999. A second survey, funded by the Gambling Commission and conducted by the National Centre of Social Research, was held in 2007. Subsequent assessments are scheduled to be conducted every three years, with the next due in 2010. Comparative figures suggest that gambling is on the decrease: where 72% of the population gambled in some form in 1999, by 2007 this had reduced to 68%. (In population terms, this equates to a reduction of 1 million people.) It should be noted that figures relate to GB.

²⁰ GA meetings in Northern Ireland are held in Armagh, Belfast, Derry, Downpatrick, Dungannon, Newry and Omagh.

²¹ The quotation is an extract from a written answer given in response to AQWs 3817/08, 3818/08 and 3819/08, tabled by Michelle McIlveen. The full text of the answer is available online: <http://www.niassembly.gov.uk/qanda/2007mandate/writtenans/080222.htm#9>

49. The 2007 survey listed the following as the most popular forms of gambling (percentages relate to those who had participated in some form of gambling):

- (a) National Lottery 57%
- (b) Scratch cards 20%
- (c) Horseracing 17%
- (d) Slot machines 14%

Less popular forms of gambling were online gambling, internet betting, fixed-odds betting terminals and casinos.

50. Figures from the Department for Culture, Media and Sport state that money staked on various forms of gambling in 2005 were as follows (the total amount of duties collected by the Exchequer are in brackets):

- (a) Betting £47.7 billion (£0.4 billion)
- (b) Pool betting £0.1 billion (£0.01 billion)
- (c) Bingo £1.8 billion (£0.08 billion)
- (d) National Lottery £4.9 billion (£0.58 billion)

51. Given the media interest in problem gambling, it is perhaps surprising that Gambling Prevalence Survey showed a decline in gambling activity. In 1999, the survey reported that 72% of the British population had participated in some form of gambling activity. By 2007, this had decreased by 4%, or around one million adults. Excluding entering the National Lottery draw and scratch cards etc, 48% of people had participated in another form of gambling in 2007. This represents an increase of 2% on 1999 figures, or around one million more people participating in some form of gambling.

NATIONAL LOTTERY

52. The National Lottery is the most popular form of gambling in Britain. However, figures from the Office of National Statistics show that, after a substantial increase in revenue after the National Lottery's introduction in 1993, the amount of money spent on the National Lottery and associated games such as scratch cards has been in steady decline since 1997.²²

1994/5	1995/6	1996/7	1997/8	1998/9	1999/00	2000/01	2001/02	2002/03
1,379	6,226	5,476	6,153	5,695	5,334	5,091	4,914	4,548

RESPONSIBLE GAMBLING

53. The British Gambling Prevalence Survey 2007 used two measures to ascertain the extent of problem gambling. The survey reported that problem gambling affects between 0.5% and 0.6% of the population. This equates to between 236,500 and 284,000 adults (those over 16) in Britain. The previous survey, which was carried out in 1999, returned a similar percentage level of problem gamblers.

²² Figures are in £ millions.

54. Characteristics of problem gamblers have shown that they are more likely to be male, having a parent who was a problem gambler and having a low income. The survey also showed that people with characteristics such as poor health, being single and having fewer educational qualifications meant that they were more likely to be problem gamblers.
55. Although caution is necessary when comparing problem gambling internationally, the survey reported that problem gambling in Britain is comparable to that in Canada, New Zealand, Sweden and Switzerland, but higher in comparison with Norway. Countries with higher rates of problem gambling include the United States, Australia, South Africa and Hong Kong.
56. The most and least popular forms of gambling are the National Lottery (57%) and spread betting (1%). However, these positions are reversed in terms of problem gambling, with the National Lottery having the lowest rate of problems gamblers among players (1%), and spread betting the highest (14.7%). It is important to note, however, that these forms of betting are outwith the remit of the 2005 Act and are regulated by the National Lottery Commission and the Financial Services Authority respectively.
57. The promotion of responsible gambling features heavily in the 2005 Act. In addition to forming part of the licensing requirements, the Gambling Commission is required to consult persons or bodies with knowledge of the social effects of gambling before it publishes guidance for the industry. As a result, any guidance or codes of practice will have an input from those dealing with problem gambling.
58. As part of the licensing conditions and associated codes of practice, gambling operators are expected to show how they are tackling problem gambling through, among other things, staff training and providing advice and information on problem gambling. Donating to the Responsibility in Gambling Trust is also taken as evidence of an operator's contribution towards the research, prevention and treatment of problem gambling.
59. The Responsibility in Gambling Trust (RIGT), which was established in 2002 following recommendations in the Budd Report, is a charitable organisation that aims to address gambling problem through advice, counselling and education. The charity is predominantly funded through industry contributions, with individual businesses contributing a minimum percentage of their gross gaming yield.²³ Funding shortfalls have been topped up by larger gambling firms, such as Gala Coral, Ladbrokes and William Hill. RIGT is also responsible to the management of responsible gambling website www.gambleaware.co.uk, and gambling charities Gamcare and the Gordon House Association.

²³ RIGT applies different funding formulas to particular forms of gaming and betting. Contributors are asked to make a minimum donation of £50, where the outcome of the funding formula would be less than that amount. The general funding formula is about 0.07% of the gross gaming yield. However, offshore operators are required to pay a minimum of £10,000 per annum.

IRELAND

60. Two statutes form the legislative basis for the regulation of betting and gaming in Ireland: the Betting Act 1931 and the Gaming and Lotteries Act 1956, in addition to related regulations. The Irish National Lottery is operated by the An Post National Lottery Company and regulated by the National Lottery Act 1986.

REFORMING THE LAW

61. In June 2000, an interdepartmental review group published the Review of Gaming and Lotteries Acts 1956–86. Among the report's recommendations were: replacement legislation for the 1956 Act; establishment of a gaming and lotteries authority; introduction of licences to operate gaming machines; increase in stake limits (which had been unchanged since 1956); new legislation for internet gambling; and stricter enforcement penalties. However, none of the recommendations were followed up.
62. In August 2006, the then Minister for Justice, Michael McDowell established the Casino Committee under the chairmanship of barrister Michael McGrath. The Committee was scheduled to report by October of that year. However, the report was not published until 10 July 2008, by the current Minister for Justice Dermot Ahern. The Committee's report, *Regulating Gaming in Ireland*, made 32 recommendations. Although the Committee's main focus was casinos, the nature of its investigations necessitated some examination of other aspects of gaming. Among its recommendations were the creation of a gaming regulatory authority within the Department of Justice, Equality and Law Reform; the adoption of social responsibility as a key principle in the regulation of gaming; and the retention of local authority powers.

FUTURE DEVELOPMENTS

63. The long-standing legislative framework, coupled with developments such as internet gaming and private casinos, means that it is recognised in the Republic that legislative reform is required. Concern has been expressed that the outdated nature of the legislation means that the law is not being enforced. Of the 1956 Act — enacted at a time when 'bingo was called pongo' — the chairman of the Casino Committee Michael McGrath commented: 'That relic of social history is utterly unsuited to effectively regulate gaming in a modern, wealthy European state.'²⁴
64. In addition to internet gambling, the law as it stands in the Republic outlaws casinos. However, some private members clubs operate casino-style games. The Minister for Justice, Equality and Law Reform, Dermot Ahern, is in the process of establishing an informal cross-party committee to examine all aspects of gaming in Ireland. However, it is more than likely that cognisance will be paid to the development of legislative reform in GB:

²⁴ Casino Committee (July 2008) *Regulating Gaming in Ireland – Report of the Casino Committee*, The Stationery Office, Dublin, preface.

65. *'There are obvious benefits to looking to our nearest neighbours in exploring gaming regulatory models. The gaming sector in Great Britain, compared to that of Ireland, is a relatively mature industry having undergone a myriad of industry and public policy developments. It has been said that their approach to gaming is at least more evolutionary than revolutionary.'*²⁵

DISCUSSION

66. While the entire process for reforming legislation relating to betting and gaming in GB took almost seven years from the formation of the Gambling Review Body to the full enactment of the Gambling Act 2005, it must be acknowledged that this is a particularly complex area of law. This is exacerbated by the technological advances over the past decade, which have resulted in a heavy increase in the mediums through which it is possible to gamble, such as the internet, telephone and interactive television.
67. The Northern Ireland legislative framework predates these advances in technology, and is largely similar to the regime that was in force in GB before the commencement of the 2005 Act. There is a further issue in relation to the fact that two legislative structures operate in the UK, as the 2005 Act extends to England and Wales and Scotland.²⁶
68. Aside from the emphasis on responsible gambling evident throughout the 2005 Act, the legislative regime in Northern Ireland differs from that in GB in a variety of ways. This is a salient point in the context of a gambling operator such as Ladbrokes, for example, which operates betting shops in GB, Northern Ireland and the Republic. Northern Ireland is the only region in the UK or Ireland where off-course Sunday betting remains prohibited.²⁷
69. As acknowledged earlier, the licensing objectives in the Gambling Act 2005 place three issues at the core of the legislation to ensure that gambling operates in a fair and open manner, that it is free of crime, and that children and other vulnerable groups are protected. Although the moves away from tighter regulatory control towards further deregulation have been criticised, the 2005 Act places a definitive emphasis on responsible gambling, whether through the licensing objectives themselves or through guidelines on responsible advertising.

²⁵ Casino Committee (July 2008) Regulating Gaming in Ireland – Report of the Casino Committee, page 41.

²⁶ The Gambling Act 2005 extends to Scotland, where gambling is a reserved matter. Limited aspects of the Act are devolved to Scottish Ministers, such as licensing arrangements.

²⁷ Following a consultation process on relaxing Sunday betting restrictions undertaken during direct rule, the Minister for Social Development has tabled a paper to the Executive seeking approval to draft legislation.