



department for
**culture, media
and sport**

Consultation on the proposed amendments to Schedule 6 of the Gambling Act 2005

August 2011

Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

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Chapter 1: Introduction

Background to Schedule 6- Exchange of Information: Persons and Bodies

1.1 The purpose of the consultation is to amend Schedule 6 (the Schedule) of the Gambling Act 2005 (the Act) to better reflect the bodies that share information with the Gambling Commission (the Commission).

1.2 This Schedule of the Act allows the Commission to provide information received by it in the exercise of its functions to persons and bodies that are listed on it, for their or the Commission's functions (section 30(1)).

1.3 The Schedule consists of three parts:

- Part 1 lists the names of 'persons & bodies with functions under this Act'. Under s.350 of the Act information can be exchanged between any person or body listed on Part 1
- Part 2 lists the names of 'enforcement and regulatory bodies in the UK' and
- Part 3 lists the names of 'sports governing bodies' (SGBs).

1.4 The Commission may also provide information to SGBs that do not appear on the Schedule, but only following detailed consideration of the extent to which doing so would further the licensing objectives and would not breach existing statutory or legal constraints, including data protection.

1.5 It is also a requirement of betting operators under Licence Condition 15.1 that any information they suspect 'relate to a breach of a rule on betting applied by that sports governing body' must provide the SGB with sufficient information to conduct an effective investigation, should that SGB appear on Part 3 of Schedule 6.

1.6 The bodies included in the Schedule, particularly Part 3, reflect the time at which the Act was drafted.

Background to the proposed amendments to Schedule 6

1.7 Discussions have been ongoing between the International Olympic Committee (IOC) and DCMS regarding the upcoming 2012 Olympic Games (the Games) and strengthening the ability of the IOC to receive and share information, should any threats to betting integrity arise during the course of the Games.

1.8 The Act states that the Commission may provide information received by it in the exercise of its functions to those bodies that are listed in Schedule 6 for use by them in the exercise of their functions. The IOC is not currently listed in Schedule 6, Part 3.

1.9 Under section 351 of the Act, the Secretary of State has the power to amend the Schedule should the need arise. It is primarily proposed that the IOC be added to Schedule 6 so that any sports betting matters can be actively addressed before, during and after the Games. Further amendments are proposed to Parts 2 and 3 of Schedule 6 to update these to accurately reflect bodies that are now relevant.

Benefits to SGBs being listed in Schedule 6

1.10 The Commission has been able to assist SGBs that are listed in the Schedule with their investigations into sports betting integrity issues over the last year. This has been in the form of providing information, where appropriate, that the Commission has obtained under its powers under the Act.

1.11 This assistance has resulted in disciplinary action consisting of fines and suspensions, as well as raising awareness in the respective sports of the need to monitor suspicious betting activity.

1.12 In contrast, trying to share information with a body not in Schedule 6, even one with appropriate security and systems, can be challenging. Section 30 (4) of the Act states:

The Commission may provide information received by it in the exercise of its functions to a person if the provision is for the purpose of—

(a) a criminal investigation (whether in the United Kingdom or elsewhere), or

(b) criminal proceedings (whether in the United Kingdom or elsewhere).

1.13 When this information does not relate to a criminal investigation or criminal proceedings and if the body is not listed on Parts 1 to 3 of the Schedule, the Commission has had to make a decision on a case by case basis as to whether it is appropriate to share the information.

Impact Assessment

1.14 We do not believe that the proposed amendments to the Schedule require an Impact Assessment. The criteria used to determine the necessity of an Impact Assessment is listed below.

Does the proposal:

- Impose additional costs or reduce existing costs on businesses or the third sector?
- Impose any additional administrative or reporting burden on the public sector or bodies that deliver public services e.g. changes to reporting requirements, adding information burdens on front line services, revisions to criteria for releasing funding, and imposition of new targets?
- In the absence of imposing additional administrative or reporting burdens, introduce new regulatory costs on the public sector or bodies that deliver public services of more than £5m (annual equivalent costs) or which are likely to attract high levels of political or media interest?
- Involve some kind of redistribution affecting the public, private or third sector – that is, where there is an exchange or ‘transfer’ of costs or benefits from one group to another – even where it does not yield an overall net change in costs and benefits, or a change in administrative costs?
- Involve seeking collective agreement for UK negotiating positions on EU proposals or other international agreements where the UK is represented at national level?

1.15 The Gambling Commission has advised that the proposed amendments to the Schedule do not involve any of the impositions listed above. For example, there would not be any additional burden imposed upon betting operators or SGBs as reporting under licence condition 15.1 of the Licence Conditions and Codes of Practice will continue unchanged.

However, we would welcome, as part of this consultation, views on whether any of the above criteria apply.

1.16 In sharing information, the Gambling Commission will carry out the necessary Privacy Impact Assessments.

Legislative framework

1.17 Regulations under section 351 of the Act give the Secretary of State the power to change Schedule 6 so that bodies can be added, removed or moved from one list to another and to add, remove or vary a Notice. Statutory instrument SI 2007/2101, dated 20 July 2007, amended the Schedule by adding The British Boxing Board of Control Limited to Part 3 and the Horserace Betting Levy Board to Part 2.

Consultation

1.18 This is a public consultation. We are particularly interested in seeking the views of SGBs. We would also welcome views from other interested parties and all responses will be carefully considered.

1.19 The consultation period will run from 17 August 2011 to 09 November 2011.

1.20 Please respond before the closing date. A summary of the questions is on page 11. Please send responses to gambling.consultations@culture.gsi.gov.uk. If you do not have access to e-mail, please respond by post to:

Nigel Wakelin,
Gambling Team
3rd floor
Department for Culture, Media and Sport
2-4 Cockspur Street
London SW1Y 5DH

1.21 This consultation is intended to be an entirely written exercise. Please contact Nigel Wakelin in the Gambling Sector Team on 020 7211 6358 if you require any other format e.g. Braille, Large Font or Audio.

1.22 For enquiries about the handling of this consultation please contact the DCMS Correspondence Team at the above address or e-mail using the form at www.culture.gov.uk/contact_us, heading your communication "Gambling Act 2005: Proposed amendments to Schedule 6".

1.23 Copies of responses will be published after the consultation closing date on the Department's website: www.culture.gov.uk

1.24 Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 ("FOIA"), the Data Protection Act 1998 ("DPA") and the Environmental Information Regulations 2004.

1.25 If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

1.26 The Department will process your personal data in accordance with the DPA, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

1.27 The consultation is guided by the Government's Code of Practice on Consultation which is available at: <http://www.bis.gov.uk/policies/better-regulation/consultation-guidance>.

Chapter 2: Criteria and amendments to the schedule

The current Schedule 6, Part 2:

Enforcement and Regulatory Bodies

- The Director and staff of the Assets Recovery Agency
- The Charity Commission
- The Financial Services Authority
- The Horserace Betting Levy Board
- The Director General and staff of the National Crime Squad
- The Director General and staff of the National Criminal Intelligence Service
- The Occupational Pensions Regulatory Authority
- The Office of Fair Trading
- The Serious Fraud Office

Proposed additions to Schedule 6, Part 2

2.1 For this part of the schedule the Department is proposing to update the list of bodies that are now operating collectively as the Serious Organised Crime Agency (SOCA).

Further proposed amendments to Schedule 6, Part 2

2.2 There are a number of bodies that have changed name or no longer exist. It is proposed that these be rectified as follows:

- The Director and staff of the Assets Recovery Agency (to be deleted - became part of SOCA in 2008)
- The Director General and staff of the National Crime Squad (to be deleted - became part of SOCA in 2006)
- The Director General and staff of the National Criminal Intelligence Service (to be deleted - became part of SOCA in 2006)
- The Occupational Pensions Regulatory Authority (name changed to The Pensions Regulator).

The current Schedule 6, Part 3:

Sport Governing Bodies

- The British Boxing Board of Control Limited
- The England and Wales Cricket Board Limited
- The Football Association Limited
- The Football Association of Wales Limited
- The Horseracing Regulatory Authority
- The Lawn Tennis Association
- The Irish Football Association Limited
- The Jockey Club
- The National Greyhound Racing Club Limited
- The Professional Golfers' Association Limited
- The Rugby Football League
- The Rugby Football Union

- The Scottish Rugby Union
- The Scottish Football Association Limited
- UK Athletics Limited
- The Welsh Rugby Union Limited

Criteria used for selecting the SGBs included in Part 3 of the Schedule

2.3 The existing Schedule 6 Part 3 already covers nine of the largest sports that are played across the UK. These sports also cover a significant proportion of the amount wagered on sport in Great Britain, so the Schedule already has significant coverage of SGBs, but reflecting the age of the list, there are some notable omissions.

- 2.4 The main criteria used to identify the SGBs proposed to be added to the Schedule are by:
- the volume of cases received by the Commission’s Sports Betting Intelligence Unit (SBIU)
 - the volume of betting on individual sports
 - the international equivalents of major domestics SGBs, not currently represented on the Schedule.

Volume of SBIU cases

2.5 The SBIU closed 107 betting integrity cases between September 2007 and March 2011. These figures are available in the Commission’s betting integrity industry statistics document.¹

2.6 The volume of cases is broadly as follows:

Table 1- Closed cases up to March 2011

Sport	% of cases ranges
Football	11%+
Horseracing	
Tennis	
Snooker	5-10%
Greyhounds	
Cricket	0-4%
Rugby	
Boxing	
Darts	
Golf	
Bowls	
Squash	

Volume of betting on individual sports

¹ This information can be found at: http://www.gamblingcommission.gov.uk/gh-about_us/annual_report_and_accounts.aspx

2.7 The Commission has only partial information regarding the volume of betting in the remote and non remote betting industries. The Commission captures information for the non-remote betting industry under the categories of football, horse racing, greyhound racing, numbers (including virtual racing) and ‘other’, which includes all other sports and non-sporting bets. The first four categories covered 94% of betting turnover in the provisional 2009/10 industry statistics.

2.8 All this information is recorded in the Commission’s published statistics², an earlier consultation³ concluded that the level of detail included in these statistics is sufficient for the Commissions purposes, balanced against the burden on, and commercial concerns of, licensed operators.

2.9 In the remote betting industry, due to the commercially sensitive nature of the data, there is a reluctance to provide very detailed information on individual sports. The Remote Gambling Association (RGA) provided a broad breakdown to DCMS, however.

2.10 The remote betting market is much more volatile than the non-remote market as the remote markets are newer and the range of betting opportunities greater. It is also more susceptible to changes in television coverage and there are a larger percentage of non-UK customers than in the non remote market and so sports preferences differ. Despite these caveats, these figures nevertheless provide a useful starting point.

2.11 The volume of betting broadly fits into the following ranges:

Table 2- Volume of betting on sport

Sport	% of volume ranges
Football	6%+
Horseracing	
Tennis	0-5%
Snooker	
Rugby	
Greyhounds	
Golf	
Darts	
Cricket	
Tennis	
Motorsport	
Boxing	

² This information can be found at: http://www.gamblingcommission.gov.uk/gh-about_us/annual_report_and_accounts.aspx

³This information can be found at http://www.gamblingcommission.gov.uk/research__consultations/consultations/closed_consultations_with_resp/regulatory_returns_and_key_eve.aspx

2.12 Taking into account the SIBU cases and volume of betting in the tables above, we would propose to add appropriate UK governing bodies covering darts, bowls, squash and motorsport to Schedule 6 of the Gambling Act 2005.

The international equivalents of major domestic SGBs

2.13 We also propose adding international bodies that cover the major domestic SGBs not currently covered by the Schedule. These bodies include the IOC and the IRB and have prominent profiles as well as developed information handling procedures.

2.14 On the basis of the three criteria and the knowledge built up by the SBIU regarding the most appropriate bodies within those sports, the SGBs proposed to be added to the Schedule are:

- IOC (International Olympic Committee)
- ICC (International Cricket Council)
- UEFA (Union of European Football Associations)
- FIFA (Fédération Internationale de Football Association)
- ITF (International Tennis Federation)
- WPBSA (World Professional Billiards and Snooker Association)
- IRB (International Rugby Board)

2.15 We anticipate greater interest in these events and appreciate the desire for organisers to have these safeguards in place to ensure sports betting integrity is not compromised. We recognise the benefits in attracting world-class competition in any given sport and appreciate the importance of being able to demonstrate to the relevant international SGBs that we have appropriate safeguards in place to preserve sports integrity in relation to betting in the UK.

2.16 We therefore also welcome views from sports that are/may be considering holding international events in the UK about their possible addition to the schedule.

Further amendments to Schedule 6, Part 2

2.18 There are two bodies that have changed names. It is proposed that these changes be reflected in the Schedule as follows:

- The Horseracing Regulatory Authority (name changed to the British Horseracing Authority)
- The National Greyhound Racing Club Limited (name changed to the Greyhound Board of Great Britain).

2.19 These minor changes will not be part of the consultation.

2.20 The provision of information by the Commission to relevant third parties (on Parts 2 and 3 of the Schedule) is still conditional upon these parties applying satisfactory information handling procedures and appropriate security controls. The Commission would continue to restrict the exchange of information with those that do not have appropriate information handling procedures, security controls or the ability to be able to act on the information in the furtherance of the licensing objectives.

Chapter 3: Consultation Questions

3.1 The government is considering the following questions regarding the bodies to be added to the existing list:

Question 1: Do you agree that the International Olympic Committee should be added to Schedule 6, Part 3 of the Gambling Act 2003? Please provide reasons for your response.

Question 2: Do you agree with the bodies proposed to be added to Schedule 6, Parts 2 and 3 of the Gambling Act 2005? Please provide reasons for your response.

Question 3: In addition to the SGBs listed on Part 3 of the Schedule, are there any other bodies you think should be on the list? Please provide reasons for your response.

Question 4: Do you agree that the criteria requiring an impact assessment do not apply? If not, please explain why and include details of the burdens and/or costs that you believe will result from these proposals.



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