

# STATES OF JERSEY



## DRAFT GAMBLING (2010 FEES) (JERSEY) REGULATIONS 200-

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Lodged au Greffe on 28th July 2009  
by the Minister for Economic Development

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STATES GREFFE





Jersey

## **DRAFT GAMBLING (2010 FEES) (JERSEY) REGULATIONS 200-**

### **REPORT**

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#### **Background**

In 2000 a proposition was taken to the States to amend the Gambling (Licensing Provisions) (Jersey) Regulations 2000 to increase the gambling licence fees. Amendment No. 12 of these Regulations came into force on 1st January 2001 and since then, licence fees have remained static.

The level of regulation required to ensure that the Island is compliant with international best practice has increased, most notably due to the effect of the Gambling (Disaster Recovery) (Jersey) Regulations 2008 and the concomitant increase in general levels of club, society and charitable gambling.

The current level of income from fees and charges stands at approximately £131,000, which includes the fees of 3 non-executive Board Members who will become the statutory regulatory body in 2010 when the States will be asked to pass the Draft Gambling Commission (Jersey) Law 200-. Allied to this, the Department has had to invest significant resource into providing various software applications to ensure probity and due diligence enquiries, as well as attend international regulators' meetings in order to both benefit from, and influence the development of, regulatory co-operation in this sector.

The Minister proposes to raise all fees and charges in line with the States' 'user pays' policy in order to maintain the Island's international reputation as a well-regulated jurisdiction. Recognising that the proposed increases are in excess of the RPI, the Minister for Treasury and Resources has granted permission to raise fees above the currently agreed level in order to offset the now unsustainable disconnect between the cost of regulation and the fees currently paid, in large part, by the commercial industry.

EDD's Business Plan has been thoroughly reviewed across all sections, and the regulation of gambling was identified, as part of that review, as requiring immediate readjustment to ensure that there is a phased process of eliminating any cross-subsidy from the public.

#### **Licence Fees**

The Minister for Economic Development proposes to increase gambling licence fees for 2010 onward in line with the "user pays" principles detailed in Financial Direction

No. 4.1. The increases would apply to the 29 betting offices, the 10 bookmaker's licences and other consequential areas as detailed below:

**LICENCES (Unchanged since 1st January 2001)**

Type	Current fee	Proposed fee
Amusement Premises Licence	£1,290 per annum	£5,000 per annum
Betting Office/Credit Betting Licence	£1,290 per annum	£5,000 per annum
Bookmaker's Licence	£258 per annum	£500 per annum
Occasional Bookmaker's Licence	£96.75 per day plus £250 deposit	£150 per day plus £250 deposit
Track Licence	£387 per annum	£500 per annum
Gaming Machines*	£2,000 per machine per annum	£4,000 per machine per annum
Gaming Machine* Type 2 (to be approved by the States in September 2009)	Not presently in service	£4,000 per machine per annum

**\*NOTE:** Machine fee increases are included in the above table to provide an illustration of the "user pays" principles. However, machine fee increases are dealt by the proposed amendments to the Gambling (Gaming and Lotteries) (Jersey) Regulations 1965. These will be lodged in due course.

**PERMITS (Unchanged since 1st January 1998)**

Type	Current fee	Proposed fee
Amusement With Prizes Permit (Amusement Premises)	£220 per annum	£1,000 per annum
Amusement With Prizes Permit (Commercial Event)	£55 per event	£110 per event
Bingo Permit (Private)	£10 per annum	£50 per annum
Bingo Permit (Public)	£5 per event	£10 per event
Cinema Racing Permit	£28 per event	£50 per event
Crown and Anchor Permit	£55 per table per event	£110 per table per event
Gaming at an Event Permit	£15 per event	£50 per event
Lottery Permit	£10 per lottery	£20 per lottery

### **REGISTRATIONS (Unchanged since 1st January 1998)**

<b>Type</b>	<b>Current fee</b>	<b>Proposed fee</b>
Bingo Certificate of Registration	£10 per calendar year	£20 per calendar year
Cinema Racing Certificate of Registration	£10 per calendar year	£20 per calendar year
Lottery Certificate of Registration	£10 per calendar year	£20 per calendar year

It is recognised that these increases are above RPI, and it has been calculated that cumulative RPI would have raised fees to circa £155,000, meaning this proposal is some £78,000 over RPI. However, the fees were never originally designed to cover costs effectively and were artificially low. The Minister recognises that he cannot inflict full cost recovery on the industry immediately, but still has to increase beyond the RPI figure. A doubling of the fees seems reasonable, therefore, as part of a transition to full cost recovery.

The Minister will bring forward legislation after the summer to create a new Gambling Commission, and the Commission will be expected to finish the modernisation programme and bring fees fully into line with costs. This stepped process is proportionate; the alternative would be to force commercial operators to shoulder the full increase immediately. This will naturally be much harder for them to manage and indeed detrimental to their business, than the staged process outlined in this report.

#### **Financial and manpower statement**

There are no manpower implications for the States. Financially, the effect of introducing these Regulations will increase revenue to the States.

## Explanatory Note

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These Regulations increase various fees payable for licences, permits and certificates under Regulations under the Gambling (Jersey) Law 1964.

The Regulations increase the fee for an Occasional Bookmaker's Licence under the Gambling (Betting) (Jersey) Regulations 1965 from £96.75 to £150. That fee was last increased on 1st January 2001.

The Regulations increase the following fees under the Gambling (Gaming and Lotteries) (Jersey) Regulations 1965 –

- (a) for an Amusement With Prizes Permit (Amusement Premises) from £220 to £1,000;
- (b) for an Amusement With Prizes Permit (Commercial Event) from £55 to £110;
- (c) for a Bingo Permit (Private) from £10 to £50;
- (d) for a Bingo Permit (Public) from £5 to £10;
- (e) for a Gaming at an Event Permit from £15 to £50;
- (f) for a Crown and Anchor Permit from £55 to £110;
- (g) for a Cinema Racing Permit from £28 to £50;
- (h) for a Lottery Permit from £10 to £20;
- (i) for a Bingo Certificate of Registration from £10 to £20;
- (j) for a Cinema Racing Certificate of Registration from £10 to £20;
- (k) for a Lottery Certificate of Registration from £10 to £20.

The fees at (a), (b), (f) and (g) were last increased on 1st January 1998, and the rest on 1st January 1992.

The Regulations also increase the following fees under the Gambling (Licensing Provisions) (Jersey) Regulations 1965 –

- (a) for an Amusement Premises Licence from £1,290 to £5,000;
- (b) for a Betting Office Licence (including Credit Betting) from £1,290 to £5,000;
- (c) for a Bookmaker's Licence from £258 to £500;
- (d) for a Track Licence from £387 to £500.

These fees were last increased on 1st January 2001.

The fee for a gaming machine is not included, as it is dealt with in separate draft Regulations making substantive amendments to the regime on gaming machines.



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## **DRAFT GAMBLING (2010 FEES) (JERSEY) REGULATIONS 200-**

### **Arrangement**

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#### **Regulation**

1	Gambling (Betting) (Jersey) Regulations 1965 amended .....	9
2	Gambling (Gaming and Lotteries) (Jersey) Regulations 1965 amended .....	9
3	Schedule 1 to Gambling (Licensing Provisions) (Jersey) Regulations 1965 substituted .....	10
4	Citation and commencement.....	10

#### **SCHEDULE**

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## DRAFT GAMBLING (2010 FEES) (JERSEY) REGULATIONS 200-

*Made* [date to be inserted]

*Coming into force* [date to be inserted]

**THE STATES**, in pursuance of Article 3 of the Gambling (Jersey) Law 1964<sup>1</sup>, have made the following Regulations –

### **1 Gambling (Betting) (Jersey) Regulations 1965 amended**

In paragraph 2(a) of Schedule 1 to the Gambling (Betting) (Jersey) Regulations 1965<sup>2</sup>, for the amount “£96.75” there shall be substituted the amount “£150”.

### **2 Gambling (Gaming and Lotteries) (Jersey) Regulations 1965 amended**

In the Gambling (Gaming and Lotteries) (Jersey) Regulations 1965<sup>3</sup> –

- (a) in Regulation 7(3) for the amount “£15” there shall be substituted the amount “£50”;
- (b) in Regulation 9(4) for the amount “£55” there shall be substituted the amount “£110”;
- (c) in Regulation 11(1) for the amount “£10” there shall be substituted the amount “£20”;
- (d) in Regulation 12(2) for the amount “£28” there shall be substituted the amount “£50”;
- (e) in Regulation 13(2) for the amount “£10” there shall be substituted the amount “£50”;
- (f) in Regulation 14(2) for the amount “£5” there shall be substituted the amount “£10”;
- (g) in Regulation 30(4) for the amount “£10” there shall be substituted the amount “£20”;
- (h) in Regulation 31(1) for the amount “£10” there shall be substituted the amount “£20”;

- (i) in Regulation 35(4) for the amount “£55” there shall be substituted the amount “£110”; and
- (j) in Regulation 36(4) for the amount “£220” there shall be substituted the amount “£1,000”.

**3 Schedule 1 to Gambling (Licensing Provisions) (Jersey) Regulations 1965 substituted**

For Schedule 1 to the Gambling (Licensing Provisions) (Jersey) Regulations 1965<sup>4</sup> there shall be substituted the Schedule set out in the Schedule to these Regulations.

**4 Citation and commencement**

These Regulations may be cited as the Gambling (2010 Fees) (Jersey) Regulations 200- and shall come into force on 1st January 2010.

**SCHEDULE**

(Regulation 3)

**“SCHEDULE 1**

(Regulation 4)

**FEES PAYABLE IN RESPECT OF THE GRANT OR RENEWAL OF A  
LICENCE**

<i>Category of licence</i>	<i>Fee payable</i>
Amusement premises licence	£5,000
Betting office licence	£5,000
Bookmaker's licence	£500
Track licence	£500

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- <sup>1</sup> *chapter 11.300*
  - <sup>2</sup> *chapter 11.300.10*
  - <sup>3</sup> *chapter 11.300.50*
  - <sup>4</sup> *chapter 11.300.60*