

HORSERACE BETTING AND OLYMPIC LOTTERY ACT 2004

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part One: Sale of the Tote

Section 8: Exclusive licence

32. Subsection (1) allows the Secretary of State to request the Gaming Board (“the Board”) to issue to the successor company an exclusive licence to carry on pool betting business (in any form) in connection with horse racing in Great Britain and to conduct betting on terms determined by reference to pool dividends. Subsection (2) specifies that the licence shall be for a period of seven years.
33. Subsection (3) enables the Secretary of State to specify the terms and conditions of this licence.
34. Subsection (4) makes provision as to when a request made by the Secretary of State may be exercised. In particular, once a licence has been issued under subsection (1) she may not make a further request for the issue of another exclusive licence. The intention behind this provision is to ensure that where, for example, an exclusive licence has been issued and subsequently revoked, the Secretary of State is not to have the power to request the Board to issue another exclusive licence.
35. Subsection (5) provides that the successor company may authorise other persons to conduct pool betting along similar lines to the Tote’s current practice. For example, those who wish to organise a totalisator at point to points will have to be authorised by the successor company. Paragraph (b) makes it clear that no person other than the successor company or a person so authorised may do anything that the successor company is authorised to do under the exclusive licence.
36. In relation to authorising others in respect of pool betting under subsection (5), subsection (6) allows the successor company to give an authorisation on terms and conditions, including as to payment.
37. Subsection (7) enables the Board to revoke the licence if they think a term or condition of the licence has been breached. They may also be required by the Secretary of State to revoke it, but only as explained in paragraph 45 below. Subsections (8) and (9) require reasons to be given for any revocation.
38. Under subsection (10) the Secretary of State may only require revocation under subsection (7) while the successor company is wholly owned by the Crown.
39. Subsection (11) provides that the exclusive licence may not be renewed. It may also not be issued or revoked otherwise than in accordance with the provisions described above.