SCHEDULES

SCHEDULE 1

Section 10

NEW SCHEDULE 1A TO THE BETTING, GAMING AND LOTTERIES ACT 1963

"SCHEDULE 1A

REGULATION OF HORSERACE POOL BETTING

PART 1

INTRODUCTION

1 Part 2 of this Schedule specifies the conditions to be complied with, for the purposes of sections 4(2)(d) and 4A(2)(b), in relation to pool betting business.

2 Part 3 of this Schedule makes provision for the supervision of pool betting business.

3 In this Schedule "pool betting business" means pool betting business in connection with horse racing.

PART 2

CONDITIONS

Totalisator

4 Any totalisator being used must—

(a) be in proper working order, and

(b) be properly operated.

Publicity for arrangements

5 (1) A person receiving or negotiating bets in relation to a race or set of races must display in a conspicuous position a notice stating, prominently and in easily legible print—

(a) the minimum amount (if there is one) that he will accept as a stake,

(b) the amounts or percentage of the aggregate of the stakes that he will distribute by way of winnings,

(c) the principles that he will apply in calculating winnings (including any rules for rounding sums up or down),

(d) the arrangements that he will make for enabling persons to claim winnings,

(e) the arrangements that he will make in respect of winnings not claimed, and

(f) the arrangements that he will make if there is no winning bet.

(2) Where a person receives or negotiates bets by the use of remote communication of a kind that does not permit the display of a notice, sub-paragraph (1) shall not apply but the person must—

(a) have prepared a notice of the kind required by sub-paragraph (1),

(b) inform the person making the bet, or arrange for him to be informed, of a method by which he can see a copy of the notice, and

(c) if the person making the bet asks to be supplied with a copy of the notice, comply with the request.

(3) In sub-paragraph (2) "remote communication" means communication using—

(a) the internet,

(b) telephone,

(c) television,

(d) radio, or

(e) any other kind of electronic or other technology for facilitating communication.

(4) Nothing in sub-paragraph (1)—

(a) provides a defence to an offence under section 10, or

(b) excuses compliance with a provision of regulations under paragraph 3 of Schedule 4.

(5) The Secretary of State may by regulations—

(a) provide that a specified system or method of communication is or is not to be treated as a form of remote communication for the purposes of sub-paragraph (2) (and sub-paragraph (3) is subject to any regulations under this paragraph);

(b) provide that a specified system or method of communication is or is not to be treated for the purposes of sub-paragraph (2) as being of a kind that does not permit the display of a notice.

(6) Regulations under sub-paragraph (5)—

(a) may make different provision for different circumstances,

(b) shall be made by statutory instrument, and

(c) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

6 (1) Where a person makes statements in accordance with paragraph 5 in respect of a race or set of races—

(a) he may not alter any of the statements in respect of that race or set of races, and

(b) he must act in accordance with the statements.

(2) But sub-paragraph (1) does not apply to a person before he has received or negotiated a bet in respect of the race or set of races to which the statements relate.

7 Where a person receives or negotiates bets in respect of a race or set of races, as soon as is reasonably practicable after the conclusion of the race or set he must make reasonable arrangements to announce or display details of the amounts payable by way of winnings.

Compliance with supervision

8 A person who receives or negotiates bets must—

(a) comply with any requirement imposed by or under Part 3 of this Schedule,

(b) co-operate with the supervising accountant appointed under that Part,

(c) co-operate with the technical adviser appointed under that Part, and

(d) co-operate with any person authorised by the supervising accountant or the technical adviser under paragraph 11(2)(e) or 13(2)(f).

Annual fee

9 (1) A person who carries on pool betting business in a calendar year must have paid the prescribed fee in respect of that year.

(2) In sub-paragraph (1) "prescribed" means prescribed by order of the Secretary of State.

(3) An order under sub-paragraph (2)—

(a) shall include provision about the timing and manner of payment,

(b) shall provide for fees to be paid (by the person who receives them in accordance with arrangements prescribed by virtue of paragraph (a)) into the Consolidated Fund,

(c) may make different provision for different circumstances,

(d) shall be made by statutory instrument, and

(e) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(4) In prescribing fees under this paragraph the Secretary of State shall aim, so far as is reasonably practicable, to ensure that the amount paid by way of fees in respect of a calendar year equals the expenditure incurred during that year in respect of—

(a) the performance of the functions of the supervising accountant and technical adviser under Part 3, and

(b) the activities of the Gaming Board in relation to pool betting business.

PART 3

SUPERVISION

Supervising accountant

10 (1) The Gaming Board shall appoint a person who is eligible for appointment as a company auditor (in accordance with section 25 of the Companies Act 1989 (c. 40)) to carry out such activities as he thinks necessary or expedient for the purpose of determining whether the conditions in Part 2 of this Schedule are complied with by persons carrying on pool betting business.

(2) The person appointed under sub-paragraph (1) is referred to in this Part as the "supervising accountant".

11 (1) The supervising accountant may do anything that he thinks necessary or expedient for the purpose of determining whether the conditions in Part 2 of this Schedule have been complied with.

(2) In particular, the supervising accountant—

(a) may require access to premises on which pool betting business is being or has been carried on,

(b) may require any person to produce for examination any accounts or other document,

(c) may require any person to permit the supervising accountant to examine a record (whether held on computer or otherwise),

(d) may require any person to supply a copy of any accounts or other document,

(e) may authorise a person in writing to do anything that the supervising accountant could do by virtue of this paragraph, and

(f) may delegate a function under this Part.

Technical adviser

12 (1) The Gaming Board shall appoint a person to advise the supervising accountant on the working condition of totalisators ("the technical adviser").

(2) Before appointing an adviser under this paragraph the Gaming Board shall consult the supervising accountant.

13 (1) The technical adviser may do anything that he thinks necessary or expedient for the purpose of advising the supervising accountant whether the conditions in Part 2 of this Schedule have been complied with.

(2) In particular, the technical adviser—

(a) may require access to premises on which a totalisator is or has been in operation in relation to pool betting business,

(b) may carry out a process for the purposes of examining the operation of a totalisator,

(c) may require any person to produce a document for examination,

(d) may require any person to permit the technical adviser to examine a record (whether held on computer or otherwise),

(e) may require any person to supply a copy of a document,

(f) may authorise a person in writing to do anything that the technical adviser could do by virtue of this paragraph, and

(g) may delegate a function under this Part.

Submission of accounts

14 (1) A person who carries on pool betting business in any month shall send to the supervising accountant a statement of the person's accounts for pool betting business carried on by him in that month.

(2) A statement submitted under sub-paragraph (1) must, in particular—

(a) specify any amounts carried over from one race or set of races to another in accordance with arrangements of a kind described in paragraph 5(1)(f), and

(b) give such other information as the supervising accountant may require for the purpose of determining whether the conditions in Part 2 of this Schedule have been complied with.

(3) The requirement under sub-paragraph (1) must be complied with before the end of the period of 28 days beginning with the last day of the month to which the accounts relate.

(4) Where the supervising accountant imposes a requirement under sub-paragraph (2)(b)—

(a) he may impose the requirement in relation to accounts for any month, whether ending before or after the requirement is imposed and whether or not accounts for that month have been submitted, and

(b) if he imposes the requirement in relation to accounts for a month ending before the requirement is imposed—

(i) a person who has already submitted accounts for that month must re-submit them, and

(ii) in relation to a person obliged to re-submit accounts, sub-paragraph (3) shall have effect as if the period of 28 days began with the day on which the requirement came to his notice.

15 Where accounts are submitted to the supervising accountant under paragraph 14 he shall—

(a) examine them, and

(b) arrange for their retention for a period of at least two years.

Annual audit

16 (1) This paragraph applies to a person who submits accounts to the supervising accountant under paragraph 14 during a calendar year.

(2) As soon as is reasonably practicable after the end of the calendar year the supervising accountant shall, in relation to each person to whom this paragraph applies—

(a) audit the person's accounts for pool betting business in that year (as submitted under paragraph 14),

(b) certify whether, so far as he is reasonably able to ascertain—

(i) the person has complied with paragraph 14,

(ii) the accounts are complete and accurate, and

(iii) the pool betting business carried on by the person during that year has been carried on in accordance with Part 2 of this Schedule.

(3) Having audited and certified a person's accounts under sub-paragraph (2) the supervising accountant shall as soon as is reasonably practicable send the audited accounts and the certificate to the person.

(4) As soon as is reasonably practicable after receiving audited accounts and a certificate under sub-paragraph (3) a person must send two copies of each to the Gaming Board.

(5) The Gaming Board shall make one copy of any accounts and certificate received under sub-paragraph (4) available for inspection by the public—

(a) at all reasonable times, and

(b) without charge.

Report to Gaming Board

17 If the supervising accountant suspects that pool betting business has been carried on otherwise than in accordance with Part 2 of this Schedule, he shall report the matter to the Gaming Board.

18 The supervising accountant and the technical adviser shall on request make available to the Gaming Board any accounts or other document supplied or provided under paragraph 11, 13 or 14.

Offences

19 A person commits an offence if he obstructs the supervising accountant or the technical adviser in the exercise of a function under this Part.

20 A person commits an offence if without reasonable excuse he fails to co-operate with the supervising accountant or the technical adviser in the exercise of a function under this Part.

21 A person commits an offence if he supplies to the supervising accountant or the technical adviser information which the person knows to be—

(a) false, or

(b) misleading.

22 In paragraphs 19 to 21 "person" does not mean only a person who carries on or has carried on pool betting business.

23 A person commits an offence if he fails to comply with paragraph 14(1) or 16(4).

24 (1) A person guilty of an offence under any of paragraphs 19 to 21 shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(2) A person guilty of an offence under paragraph 23 shall be liable on summary conviction to—

(a) imprisonment for a term not exceeding six months,

(b) a fine not exceeding level 5 on the standard scale, or

(c) both."