
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe fees relating to operating licences (application, annual and other fees) and single-machine supply and maintenance permits (application fees only) issued under Parts 5 and 10 of the Gambling Act 2005 (“the Act”), respectively.

Regulations 2 and 3 define terms used in the Regulations. Regulation 3 defines the units of division by which different kinds of operating licence are assigned to categories for the purpose of prescribing fees. Other terms used in these Regulations are defined in the Act (s.353(1)).

Part 2 of the Regulations and Schedules 1 to 3 prescribe fees relating to non-remote operating licences. Regulation 4 sets out the different kinds of non-remote operating licence for which fees are prescribed. Five of these kinds of licence are identical to kinds set out in section 65 of the Act. The remainder are defined in regulation 2 and, in practice, will be created by the imposition of conditions attached to a licence under section 75, 77 or 78 of the Act.

Regulation 5 sets out categories of non-remote (new) casino operating licences, for which different fees are prescribed (by regulations 7 and 8). Regulation 6 and the table in Schedule 1 set out categories for all other non-remote operating licences, for which different fees are to be prescribed (again by regulations 7 and 8). Each kind of licence (except the non-remote casino operating licence) is divided into categories by reference to a unit of division defined in regulation 3.

Regulation 7 and the table in Schedule 2 prescribe the application fees that are payable in respect of each category of non-remote licence, while regulation 8 and the table in Schedule 3 prescribe the different annual fees that are payable. Regulation 8(2) provides that the first annual fee payable in respect of a non-remote operating licence is 75 per cent of the usual annual fee payable in respect of that licence.

Part 3 of the Regulations and Schedules 4 to 6 prescribe fees relating to remote operating licences. For the purposes of Part 3 ancillary remote operating licences (as defined in regulation 14) are distinguished from other remote operating licences for the purpose of prescribing fees. Like non-remote operating licences, these other remote operating licences (apart from the remote general betting (limited) operating licence) are divided into categories for the purpose of prescribing fees (regulation 10 and Schedule 4). Application and annual fees are prescribed for each category of remote operating licence in regulations 11 and 12 and Schedules 5 and 6, and are prescribed separately for remote general betting (limited) operating licences in regulation 13. Unlike non-remote operating licences, no reduced first annual fee is prescribed for remote operating licences.

Regulation 14(2) to (5) sets out the four different types of ancillary remote operating licence. An ancillary remote operating licence is one that is held by a person who also holds a specified non-remote operating licence and which only authorises the licensee to engage in specified limited activities (which are ancillary to the activities authorised by the licensee’s non-remote operating licence). Regulation 14(6), (7) and (8) prescribe the application and annual fees that are payable in respect of ancillary remote licences.

Part 4 of the Regulations prescribes special application and annual fees where a person holds or applies for—

- an operating licence that combines more than one kind of remote or more than one kind of non-remote operating licence (a “combined operating licence”). An example of a combined operating licence is a non-remote operating licence that combines licensed activities under both

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the new casino and general betting (standard) licences. This would, for example, authorise the licensee to operate a new casino from premises and take bets within that casino.

- two separate operating licences: one remote, the other non-remote. An example would be where a person holds a non-remote new casino operating licence and a remote general betting (standard) operating licence. This would authorise the licensee to operate a new casino from premises and an online betting business.

Regulations 16 and 17 prescribe the application and annual fees payable in respect of combined operating licences. These are determined by aggregating—

- the greatest of the application or annual fees payable in respect of the different kinds of licence to which the combined licence relates, and
- the remaining relevant application or annual fees, subject in each case to a specified discount.

Regulation 17(3)(a) provides that, as with single category non-remote operating licences, the first annual fee for a combined non-remote operating licence is subject to a 25 per cent discount.

Part 4 also provides special fees where a person who already holds an operating licence applies for another.

Regulations 18 and 21 make provision, respectively, for the application and annual fees that are payable when a person applies for or holds two operating licences simultaneously. The Regulations provide that, in these circumstances, the lesser of the ordinary application or annual fees payable in respect of the licences are discounted by specified amounts (and the full amount of the greater fees is paid). Regulation 22 makes clear that the discounted fees payable under regulations 18 and 21 also apply where one or both of the licences is a combined operating licence.

Regulations 19 and 20 replicate the effect of regulation 18 in relation to the application fee payable when—

- a person who has one application for a licence pending applies for another licence, and
- a person who already holds a licence applies for another one.

Part 5 of the Regulations prescribes other fees relating to operating licences. Regulation 23 prescribes the fee payable when a person makes a change of corporate control application under section 102 of the Act. Different fees are prescribed depending on whether—

- the application relates to an ancillary remote operating licence (regulation 23(2)),
- the application relates to a combined operating licence (regulation 23(3)), or
- applications are made simultaneously in relation to two operating licences, neither of which is an ancillary remote operating licence (regulation 23(5) and (6)).

Regulation 23(1) prescribes the fee that is payable where none of these situations apply.

Regulation 24 prescribes the fee payable when a person makes an application to vary a licence under section 104 of the Act. Different fees are prescribed for—

- applications under section 104(1)(a) to add or amend a licensed activity (regulation 24(1)),
- applications under section 104(1)(a) to remove a licensed activity (regulation 24(2)),
- applications under section 104(1)(b) to amend another detail of the licence (regulation 24(3)), and
- applications under section 104(1)(c) (in respect of which, see the next paragraph).

The fees payable when a person makes an application to vary a licence under section 104(1)(c) differ depending on whether the effect of the application would be to bring the licence within a new category of licence (as defined in regulations 5, 6 or 10) (regulation 24(4) to (7)).

Regulation 25 prescribes the maximum fee payable on application for a copy of an operating licence under section 107.

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Regulation 26 provides that the first annual fee payable in respect of an operating licence shall be paid within 30 days of the date on which the licence was issued (section 100(1)(a) of the Act).

Regulation 27 prescribes the fee payable on application for a single-machine supply and maintenance permit under section 250 of the Act.

A full regulatory impact assessment of the effect that this instrument will have on the costs of business is available from Donald Sproson at The Department for Culture, Media and Sport, 2-4 Cockspur Street, London SW1Y 5DH; email: donald.sproson@culture.gsi.gov.uk.