

Mandatory and Default Conditions: Consultation Document
Premises Licences: Mandatory and Default Conditions

1. Introduction

1.1 The Gambling Act 2005 allows for two kinds of conditions to be attached to premises licences by the Secretary of State by means of regulations: mandatory conditions and default conditions. The purpose of this paper is to consult you on what those conditions should be.

1.2 Individual conditions may also be attached to a premises licence by the issuing licensing authority. This paper does not cover this third type of licence condition.

Mandatory conditions

1.3 Mandatory conditions may be attached to premises licences by the Secretary of State under section 167 of the Act. Mandatory conditions will attach to all relevant licences when the regulations are made. They can be attached generally to all premises licences, or may be attached to all premises licences of a particular type, or to a particular type of premises licences under certain specified circumstances.

1.4 Once mandatory conditions are attached they can only be removed by further Secretary of State regulations. A licensing authority has no power to remove or vary them.

1.5 The Department considers that mandatory conditions are likely to be most appropriate where there are basic minimum requirements to which all premises licence holders, or holders of a particular type of licence, should adhere.

Default conditions

1.6 Default conditions are attached to premises licences by Secretary of State regulations in the same way as mandatory conditions. However, unlike mandatory conditions, default conditions can be amended or removed by licensing authorities (either under section 169 on issue of a licence, or as a result of an application for a variation or review of a premises licence). The Gambling Commission's (the Commission) guidance to licensing authorities suggests that default conditions are expected to be the industry norm so, while licensing authorities are free to limit or remove them where appropriate, they should only be extended with reference to the Commission Codes of Practice and Guidance, the Licensing Objectives and the Licensing Authority's three year licensing Policy Statement.

1.7 The Department is proposing default conditions where it believes that a general industry or sector wide approach is desirable in order to assist national consistency, but where licensing authorities ought to be able to respond to local circumstances by altering those conditions if necessary.

2. Licence Conditions that are expressly provided for under the Gambling Act

2.1 There are a number of specific powers (and in one case, a requirement) in the Act to make regulations providing for mandatory or default conditions in relation to particular sectors or activities. In some cases, the specific powers can also be exercised by licensing authorities in imposing individual conditions. The specific powers, along with the Department's considerations as to whether they should be exercised, and how it would be most appropriate to do so, are set out below.

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Section 174(6) – Automated table games in casinos

2.2 The Act requires regulations to be made in relation to casino premises licences imposing limits on automated table games. These are automated versions of casino games like roulette and sic bo, which would be gaming machines but for Section 235(2)(i) which exempts equipment of this sort from the wider gaming machine definition. The Act states that these limits may, in particular, operate by reference to the number of players that these machines are designed to accommodate. Ministers announced during the Gambling Bill second reading debate in the Lords that the maximum number of automated table game player positions in a casino will be 40 (6 April 2005 col 837).

2.3 The Government believes that setting a maximum number of player positions for wholly automated table games is important for a number of reasons:

- wholly automated table games lack the direct human intervention of a real casino game operated by a casino employee, trained to spot the warning signs of problem gambling;
- the speed of play for automated versions of table games can be faster than for the normal versions of such games;
- if no limit were set, there would be nothing to prevent the development of large numbers of terminals all connected to a single automated table, which the Government believes would be at odds with the precautionary principle.

2.4 As these are automated versions of table games, the intention is that they should be regulated along broadly similar lines to table games. To help distinguish these wholly automated table games from gaming machines, the Government believes it is right to set a minimum number of four player positions per wholly automated table. This requirement is designed to prevent the development of wholly automated table games designed only for one player, which would blur the distinction between wholly automated table games and gaming machines, and undermine the rationale for the exemption of such equipment from the regulations in Part 10 of the Act.

2.5 In order to maintain the parallel with normal table games, the government also considered setting a maximum number of player positions per automated table. The government has listened carefully to the views of the industry on this point, and in particular recognises that it is difficult to be precise about how many player positions an ordinary roulette or dice table may provide. On this basis, the government has decided not to proceed with this proposal.

2.6 The Government believes that siting wholly automated table games in the gaming table areas of casinos will help preserve their separate character from gaming machines. This would not prevent terminals connected to wholly automated table games being situated in other gambling areas of casinos, but they should not, of course, be situated or carried into non-gambling areas. Wholly or partially automated table games will not count as tables towards the table-gaming machine ratios set out in Section 172.

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2.7 We are therefore proposing two conditions relating to automated table games:

- a mandatory condition of a maximum of 40 player positions at wholly automated versions of real games of chance, 'automated table games', in any casino;
- a mandatory condition of a minimum of four player positions for any individual automated table game;

2.8 The Gambling Commission will be responsible for issuing conditions relating to the specification of this equipment under powers contained in Section 85(2)(b), and will be consulting separately on these conditions. These conditions will be attached to casino operating licences, and the Gambling Commission will be responsible for monitoring and enforcement of these specifications.

2.9 Licensing authorities will be responsible for monitoring compliance with the premises licence aspects of the regulatory regime for automated table games, including ensuring that the numerical limits on player positions are not breached, the location of equipment, etc.

Question 1: Do you agree with the maximum and minimum limits proposed for automated table games? (Para 2.7)

Section 174(7) – Requirement to provide recreational facilities of a specified kind in casinos

2.10 The Act allows (but does not require) regulations regarding the provision of recreation facilities of a specified kind in new casinos. Government does not perceive a need to regulate in this area. It would prefer to leave it to licensing authorities and casino operators to decide what recreational facilities would be appropriate in their local area as part of a wider casino development.

Question 2: Do you agree with the decision not to regulate on the provision of recreational facilities? (Para 2.10)

Section 177(3) – Conditions relating to the nature, location or use of ATMs in casinos and bingo halls

2.11 Under the current Gambling Commission guidelines for casinos, ATMs must be positioned so that a customer has to physically leave the gaming table or machine in order to use them. A similar requirement is included in the bingo handbook – ATMs in licensed bingo premises must be positioned so that a customer has to physically leave the bingo game or gaming machine in order to use them. We believe that these are important safeguards in giving people some time to reflect away from the gambling facilities, before they are tempted to gamble money which they might not be able to afford.

2.12 Under Section 167 the Secretary of State may make regulations applying to other classes of licence. Our informal consultation included a proposal to formalise this existing practice as mandatory premises licence conditions for casinos and bingo halls, and to introduce similar requirements for FECs, AGCs and betting premises for the first time. In casinos, we proposed to use the introduction of non-gambling areas to require that ATMs should only be placed in these areas – a slight modification of the existing position.

2.13 Many of those who responded to our informal consultation, most of whom came from within the industry, expressed concern that simply adopting the wording of the current

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guideline that a player must leave a gaming machine to use an ATM as a mandatory condition, a breach of which can carry criminal liability, would create compliance and enforcement difficulties. Many also pointed out that the existing, largely voluntary, arrangements have worked well.

2.14 The original proposals reflected the importance that Ministers attach to protecting potentially vulnerable people, and the fact that there are existing practices restricting ATM use within sections of the industry which have been working well. However, we have listened carefully to the concerns that have been raised and agree that we need to adapt our proposals to address compliance and enforcement issues— for example, it is not clear what in practice would constitute “leaving the bingo game”. We therefore propose to impose the following mandatory conditions:

For existing and new casinos:

- **ATMs must be positioned so that customers must cease to gamble at tables or gaming machines in order to use them.**

For bingo halls, AGCs, FECs and betting shops:

- **ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.**

2.15 For casino and bingo premises licences, licensing authorities have jurisdiction for enforcing the requirements in section 177. In particular, if the premises licence holder has a commercial connection with the credit provider, or receives payment in connection with the machine, this will be a breach of the condition under section 177, for which the authority has powers to take action.

2.16 It should be noted that licensing authorities will have the flexibility to attach further conditions relating to the location of an ATM in all premises, which may be considered necessary depending on the layout of individual premises.

Question 3: Do you agree that the revised proposals on ATMs address the concerns about compliance and enforcement? (Para 2.14)

Section 178 – Door supervision

2.17 The Act allows for regulations to be made regarding door supervision. Ministers place the highest priority on ensuring that premises are well managed and that appropriate measures are in place in all gambling premises to prevent access by children and any other unauthorised persons and to prevent gambling premises from becoming a source of disorder.

2.18 All operators of gambling premises will have a responsibility under the Gambling Act to ensure that they abide by the rules and any codes of practice that apply to them. If they don't, they risk prosecution and losing their licences.

2.19 The government's view is that it is in the operators' own interests to ensure that they put in place arrangements for door supervision that are commensurate with the need to fulfil their obligations under the Act. At the same time, however, Ministers believe it is right that licensing authorities should have the flexibility to attach any conditions they consider

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necessary to individual premises licences, depending on local circumstances, and whether that would be justified in line with the principle set out in section 153.

2.20 For these reasons we do not intend to attach mandatory or default conditions in relation to door supervision for any type of premises. However, this remains a reserve power that Ministers will not hesitate to use if it becomes clear that further action is necessary.

2.21 During the passage of the Gambling Bill, Parliament expressed a clear view that specific rules should apply to the supervision of entrances to casinos in order to prevent access to casino premises by children.

2.22 Ministers intend to rely on the requirement contained in Section 176 for the Gambling Commission to issue a code of practice under Section 24 about access to casino premises for children and young people. By virtue of Section 176, compliance with the code of practice issued in relation to children's access will be a condition attached to casino premises licences.

Question 4: Do you agree with the proposal not to attach mandatory or default conditions in relation to door supervision for any type of premises? (Para 2.20)

Section 181 – Conditions on bet receipt terminals in small, large and regional casinos, betting offices and tracks.

2.23 Betting will be permitted in certain casinos for the first time under the Act. As this combination of different sorts of gambling will be new to this country, Ministers decided to limit the introduction of betting to the 17 new casinos permitted by the Act, so that its impact can be assessed.

2.24 The Government has carefully considered the position regarding the number of bet receipt terminals in casinos and whether or not there should be an upper limit on the numbers. It has concluded that setting a maximum number of player positions for bet receipt terminals in casinos is desirable for similar reasons to those for setting a maximum number of player positions for wholly automated table games:

- bet receipt terminals lack the direct human intervention of a betting counter staffed by a cashier, who may be able to spot the warning signs of problem gambling;
- if no limit were set, there would be nothing to prevent the development of casinos packed with large numbers of terminals, which the government believes would be at odds with the precautionary principle;
- there is a risk that the casino could become incidental to an unlimited number of bet receipt terminals, which could undermine the nature of the assessment of the social impact of the new casinos.

2.25 The Government believes it is right to set the same limits on bet receipt terminals as for wholly automated table games so that no one form of wholly automated gambling equipment can predominate. The Government has noted the suggestion that the number of bet receipt terminals permitted should vary for different categories of casino. However, such an approach would suggest a parallel with gaming machines which is inappropriate. The closer parallel is with wholly automated roulette terminals, as both were specifically exempted from the gaming machine definition in the Act.

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- **We therefore propose to set a mandatory condition specifying a maximum of 40 bet receipt terminals permitted in new casinos**

2.26 Licensing authorities will be responsible for monitoring compliance with the numerical limits and with the rules relating to the location of bet receipt terminals.

2.27 The Gambling Commission is also considering issuing conditions relating to the specification of bet receipt terminals, wherever they are located, under powers contained in Section 85(2)(b), and will be consulting separately on these conditions. These conditions will be attached to casino and betting operating licences, and the Gambling Commission will be responsible for monitoring and enforcement of these specifications.

Question 5: Do you agree that the limit of 40 bet receipt terminals in new casinos is appropriate? (Para 2.25)

2.28. Government has also considered the need for conditions specifying the number of bet receipt terminals permitted in betting offices and tracks.

2.29 As betting offices and tracks, unlike casinos, are licensed primarily for the provision of betting products, it does not consider that it is essential to regulate the number of bet receipt terminals. However the Government does believe that bet receipt terminals on tracks require supervision because:

- children are permitted on tracks; and
 - bet receipt terminals lack the direct human intervention of a betting counter staffed by a cashier, who can identify underage gamblers.
- **We therefore propose a mandatory condition that bet receipt terminals on tracks must be supervised.**

2.30 Supervision of bet receipt terminals may be ensured by either placing the terminals within line of sight of an official of the premises, or via monitored CCTV.

Question 6: Do you agree that a mandatory condition is required which specifies that bet receipt terminals must be supervised on tracks? (Para 2.29)

3. Sector Specific conditions arising from current rules / other considerations

Gambling Hours

3.1 The current rules relating to opening hours for gambling premises vary from sector to sector:

Casinos

- No gaming may take place on any weekday from 6am – 2pm (although licensing authorities do currently have the power to impose other restrictions)

[Gaming Clubs (Hours and Charges) Regulations 1984 as amended by Gaming Clubs (Hours and Charges) (Amendment) No 2 Regulations 2000]

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- No gaming shall take place on any Sunday between 4am and 2pm

[Section 18, Gambling Act 1968, as amended by the Gaming (Amendment) Act 1987 s 1(2)]

Bingo

- No gaming may take place except between:

Saturday	10am – Midnight
Sunday	2pm – 11pm
Monday – Friday	10am – 11pm

[Gaming Clubs (Hours and Charges) Regulations 1984 as amended by the Gaming Clubs (Hours and Charges) (Amendment) Regulations 1988]

- These restrictions only relate to the playing of bingo. Bingo clubs can open outside of these hours, for example to allow customers to play gaming machines.

AGCs/FECs

- There are currently no rules in gambling legislation relating to the gaming or opening hours of arcades.

Betting offices

- Betting offices may only open between:

Summer (April-August) 7am - 10pm
Winter (September-March) 7am - 6.30pm

[Licensed Betting Offices Regulations 1986 as amended by the Licensed Betting Office (Amendment) Regulations 1993]

Tracks

- There are currently no rules in gambling legislation relating to the opening hours of tracks.

3.2 All the above premises may have their opening hours further restricted by local authorities under planning regulations.

General approach

3.3 In general, the Government believes it is important that, as with most premises under existing legislation, conditions continue to be placed on the hours during which gambling premises may offer facilities for gambling ("gambling hours"). This is a consideration relevant to the licensing objectives, particularly those concerning the protection of children and other vulnerable people, and to ensuring that gambling does not become a source of crime or disorder. Arcades and tracks have not had conditions placed on their gambling hours under the existing legislation, and the approach to gambling hours for AGC and FECs is discussed in more detail below.

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3.4 The new safeguards introduced by the Act mean that the Government believes that it is possible to adopt longer gambling hours and a more flexible approach to gambling hours than has been the case under existing legislation.

3.5 The Government proposes to set gambling hours for certain premises by default conditions. These default gambling hours are intended to:

- strike a balance between permitting gambling and pursuing the licensing objectives;
- establish industry norms intended to promote a level playing field within different sectors of the gambling industry;
- at the same time, give individual operators the flexibility to apply to extend their gambling hours;
- lay down a standard for local authorities against which they will be able to consider any applications or representations to extend or reduce default hours; and,
- take an even-handed approach to the total gambling hours permitted in gambling premises across different sectors.

3.6 Where default gambling hours have been set, licensing authorities will only be able to reduce these in any individual case where that reduction is in line with the principles set out in section 153 of the Gambling Act. In practice, this will mean licensing authorities are only likely to want to consider reducing gambling hours if there is a licensing objective based reason for doing so. For example, it may become clear that a particular premises is a source of crime or disorder, and a reduction in gambling hours may be the appropriate way to tackle that issue, given the particular circumstances of the case. Ministers believe it is right that licensing authorities should be able to act in such circumstances, and that this is in the best interests of responsible operators.

3.7 Operators will have a right of appeal to the magistrates' court against any decision by a licensing authority to attach a condition varying the default conditions so that gambling hours were reduced.

3.8 Through the transitional arrangements for the Act, the intention is to modify the effect of section 169 so that when licensing authorities grant a first premises licence to existing premises on transition to the new Act, the authorities would be required to grant a premises licence with the default gambling hours, where applicable, that are set by means of these regulations. However, operators will be able to apply to have their default hours extended when they apply for the new licence. If an operator seeks a change to the default hours, the authority will also be able to review the licence, and may limit the gambling hours if it considers this appropriate. If, on review, a licensing authority did decide to attach new conditions to a premises licence limiting gambling hours, this decision could be appealed in the magistrates' court.

3.9 Where default gambling hours have been set by these regulations, it is important to note that licensed premises will not be required to offer gambling facilities for these hours each day. Operators will have the flexibility to choose when they offer gambling facilities, within the default gambling hours. Neither will there be a requirement on operators to open for the duration of the default gambling hours.

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3.10 The Gambling Act provides that neither the default gambling hours, nor a decision taken by a licensing authority to vary those hours, will constrain any later decision by the authority under the relevant planning or building legislation, including where such a decision relates to a premises' opening hours (section 210). The default gambling hours we are proposing for each sector are set out below:

3.11 Casinos

- **No gambling facilities may be offered between 6am and noon on any day.**

This approach would:

- increase the total number of gambling hours to 18 per day;
- increase the total weekly gambling hours by 16 hours; and,
- remove the anomaly that currently requires casinos to close early on Saturday nights, which is often the busiest night of the week.

All casinos will of course have the opportunity of asking for the default hours to be changed when they apply for licences.

3.12 Betting offices

- **No gambling facilities may be offered between 10pm and 7am on any day.**

This approach would:

- equalise the current winter opening hours with summer opening hours thus doing away with the anachronistic restriction on winter opening;
- increase opportunities for horse and greyhound racing in winter on appropriate tracks;
- allow a total number of 15 gambling hours per day, in line with our proposals for bingo halls.

3.13 Tracks

- **There will be no restrictions on gambling hours for days on which a public sporting event is taking place on a track.**
- **On days when no public sporting event is taking place on a track, no gambling facilities may be offered between 10pm and 7am.**

This approach would:

- take into account that the Gambling Act allows tracks to open for gambling on days when sporting events are not taking place;

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- in those cases, allow a total number of 15 gambling hours per day, in line with our proposals for betting offices, bingo halls, AGCs and FECs;
- but also not seek to influence the timetabling of sporting events on tracks, by putting commercial pressure on them to fit in with prescribed gambling hours.

3.14 In proposing this approach to tracks, we have listened to the industry, particularly horseracing, who were concerned that introducing gambling hours for tracks on event days would negatively impact on the timetabling of the sporting event itself and thus the enjoyment of the non-gambling, as well as gambling, public. The Government sees no harm in continuing with the current practice of not restricting gambling hours for tracks on event days.

3.15 The industry has suggested that tracks should also be able to provide facilities for gambling outside the proposed gambling hours on non-event days so that they can, for example, screen live televised events from other time-zones (which may take place outside the prescribed hours) and provide betting on those events. Some tracks currently provide this facility for specific events, by relying on a track betting licence under Section 6 of the Betting, Gaming and Lotteries Act 1963. The Government is satisfied that tracks will still be able to continue provide these facilities on limited number of days a year by virtue of an Occasional Use Notice under Section 39 of the Gambling Act.

3.16 Bingo

- **No gaming facilities may be offered between Midnight and 9am on any day.**

This approach would:

- increase the total number of gambling hours to 15 per day, in line with our proposals for betting shops.

3.17 The Government considered that it was desirable to remove the current mismatch between gaming hours and opening hours for playing gaming machines. However, it has listened carefully to the representations from the industry on this point, and has decided not to propose bringing gaming machines within the scope of this default condition at this stage.

3.18 It should be noted that licensing authorities will be able to consider attaching their own conditions limiting the hours at which gaming machines can be offered in bingo halls when considering applications for new premises licences, and on review of existing licences. This is also without prejudice to any restrictions may also be placed on the opening hours of bingo halls either through planning regulations or local byelaws.

Question 7: Do you agree with the proposed gambling hours (Para 3.11 – 3.18) for:

- a) casinos
- b) betting offices
- c) tracks
- d) bingo?

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AGCs and FECs

3.19 The Government has considered whether existing AGCS and FECs should for the first time under gambling legislation have conditions attached to their premises licences limiting the hours during which they may offer gambling. A number of respondents to the informal consultation exercise commented on this proposal. It may be helpful to explain some of the background to this issue in more detail.

3.20 As was noted during the informal consultation, there are no rules relating to opening hours for arcades under existing legislation, and licensing authorities have no powers to restrict the opening hours of arcades under the Gaming Act 1968. Instead, many local authorities choose to limit the opening hours of arcades through planning restrictions or through local byelaws.

3.21 A number of respondents suggested that opening hours for arcades should continue to be regulated by local authorities in this way. It is important to note that nothing in the Gambling Act or in the conditions proposed here will cut across the ability of local authorities to restrict the opening hours of arcades in this way.

3.22 Under the Gambling Act, licensing authorities will, however, assume greater powers than previously for regulating a range of gambling premises including adult gaming centres and family entertainment centres. Under the Act, licensing authorities will have a wide-ranging discretion to attach conditions to individual premises licences, and to amend any default conditions set by the Secretary of State. In exercising this discretion, local authorities will of course need to have regard to the licensing objectives of the Act and their wider principles set out in Section 153. In our view, this discretion could legitimately extend to restricting the hours in which gambling facilities may be offered on the premises in reliance on the licence.

3.23 We have considered carefully two suggestions that have been made to us during the course of informal consultation on these regulations:

- (i) that the government should direct licensing authorities not to use their condition making powers under the Act to restrict gambling or opening hours, and instead should advise licensing authorities that these matters are more appropriately dealt with through planning regulations or local byelaws

In our view, the Secretary of State has no powers under the Act to restrict licensing authorities' discretion in this way, even if she felt that it was appropriate to do so. A key objective of the Act was to involve local people more in the regulation of gambling premises in their area, and the government believes that it is entirely legitimate for licensing authorities to consider restricting gambling hours when considering applications for, or reviewing, premises licences.

- (ii) the government should set default gambling hours for AGCs and licensed FECs at 24 hours

In our view, even if the Secretary of State considered that 24 hour opening as a default for AGCs and FECs was appropriate, she could not set such a condition. Such a condition would be permissive rather than restrictive in nature, and as such would not be allowed under the Act.

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3.24 This led us to consider two options for dealing with the question of gambling hours for arcades under the Act:

- (a) Not to set default gambling hours for AGCs and licensed FECs

In some respects this would most closely replicate the status quo. The key difference would be that when considering applications for new arcades, or on reviewing existing premises licences, licensing authorities would be free to consider attaching conditions restricting opening/gambling hours. There would be no national or industry standard against which they could make this decision, which may result in a wide ranging variation in permitted opening/gambling hours for AGCs and FECs across the country.

- (b) To set default gambling hours for AGCs and licensed FECs for the first time

This option would bring arcades into line with other premises based operators in the gambling industry, and licensing authorities would have an industry standard against which to assess applications to vary gambling hours. Operators would be able to apply to extend the default hours. Licensing authorities would only be able to reduce the default hours if that decision was in line with the principles set out in Section 153 of the Act – in practice, this is only likely to happen if it became clear that a particular premises was becoming a source of disorder.

3.25 Our discussions with the industry prior to the informal consultation exercise suggested that many operators would welcome the greater degree of certainty that default gambling hours would provide. However, the response to the informal consultation exercise revealed considerable opposition to the proposal. As a result the Government has decided to revert to option (a) for the purposes of formal consultation and would welcome views on this approach.

3.26 While the default hours we proposed were greater than most seaside and high street arcades currently open for, the Government understands that in a minority of cases arcades are currently operating for longer than the proposed opening hours. Arcades in motorway service stations and airports also tend to be open for longer periods. The Government understands the concerns that operators in this position raised about grandfather rights. Reverting to option (a) also means that existing operators that apply for the fast track premises licence procedure could not be subject to any restriction on their gambling hours through the grant of the grandfathered premises licence. The new premises licence would, of course, be liable to review from 1 September 2007.

3.27 Licensing authorities will be responsible for monitoring compliance with these default conditions or any subsequent conditions that they set.

Question 8: Of the two options proposed, do you agree that option (a), not to set default gambling hours for AGCs and licensed FECs, is the most appropriate? (Para 3.24)

4. Access to Premises

4.1 The Act already provides that, except in the case of tracks, a single premises may not have more than one premises licence authorising a type of gambling activity (section 152). The Government believes that it does need to regulate further to provide additional safeguards for the public and for the industry in order to:

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- prevent operators from seeking to circumvent this requirement of the Act by artificially subdividing their premises and securing separate premises licences for its composite parts;
- ensure that operators do not circumvent the rules governing the maximum number of gaming machines of Category B and above permitted in different premises;
- ensure that people who have entered a premises for one type of gambling are not exposed to another, potentially harder, form of gambling;
- ensure that there is no direct access between gambling premises to which children have access and those to which they are prohibited from entering;
- ensure that all gambling premises have publicly accessible entrances, and are not developed in the backrooms of other commercial premises.

4.2 The government has listened carefully to the views of holiday parks, piers and other tourist attractions, where different forms of generally lower level gambling opportunities are often co-located on a single site, or as part of a single complex. It has concluded that, rather than impose a blanket ban on access between licensed premises and premises with permits, it has decided to modify its original proposal. The effect of this will mean that direct internal access will broadly be permitted between premises to which children are not prohibited from entering by the Act (bingo halls, FECs, alcohol licensed premises).

4.3 In the light of the decisions to relax the restrictions on direct access between bingo halls and certain other premises, the Government has felt it necessary to propose a further protection to ensure that children do not gain access to Category B or C gaming machines in bingo halls. It has therefore decided that, where under 18s are permitted to enter a bingo hall, the same rules relating to the over-18 areas of licensed FECs should apply. In summary, this will mean that any Category C and B machines will need to be located in a segregated area to which under 18s do not have access. This rule will not apply to bingo halls which only allow adult access.

4.4 Theme parks, piers and leisure parks will continue to be able to offer different forms of gambling on different parts of their sites, provided they obtain the appropriate premises licences for the relevant premises on the site. They will of course need to satisfy the relevant authority that the relevant requirements for each gambling premises, including the rules relating to access between premises, are met.

4.5 For these reasons government is proposing mandatory conditions that:

- **there can be no direct, internal access between one licensed premises where children are not permitted by the Gambling Act to enter, and another licensed premises where children are not permitted by the Act to enter;**
- **there can be no direct, internal access between one licensed premises where children are not permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act where children are are permitted to enter, except as between betting premises (betting shops and tracks).**

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- there can be no direct internal access between a premises with a bingo premises licence and a club with a club gaming or club gaming machine permit.

<u>Premises</u>	<u>Direct internal access permitted to</u>	<u>No direct internal access permitted to</u>
Casino		Betting shop Bingo hall AGC FEC Club Pub
Betting shop	Track	Casino Bingo hall AGC FEC Club Pub
Track	Betting Shop Pub	Casino Bingo Hall AGC FEC Club
Bingo hall	FEC Pub	Casino Betting shop AGC Club
AGC		Casino Betting shop Bingo hall FEC Club Pub
FEC	Bingo hall Club Pub	Casino Betting shop AGC
Club	FEC Pub	Casino Betting shop Bingo hall AGC
Pub	FEC Club Pub	Casino Betting shop AGC

These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.

Question 9: Do you agree that the proposed mandatory conditions on access between premises are appropriate? (Para 4.5)

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All casinos

4.6 The Gaming Clubs (Licensing) Regulations 1969 (SI 1969 No 111) and, for Scotland, the Gaming Clubs (Licensing) (Scotland) Regulations 1969 (SI 1969 No 1115 (s88)) permit licensing authorities to refuse licences in respect of premises to which a person, otherwise than in an emergency, might gain access internally from other private premises not to be included in the licence. The Gambling Commission's guidance to licensing authorities will want to ensure that the premises to be licensed have a separate public entrance and are not generally accessible directly from private premises.

4.7 The Commission indicated in its most recent advice that it would not oppose casino entrances from other premises, as long as:

- there is at least one entrance, which is demonstrably the main entrance from a public thoroughfare;
- the entry controls are equally satisfactory at every entrance;
- the access is not otherwise undesirable; for example, because the other premises are themselves gambling venues, or they are frequented mainly by children.

4.8 The Government believes that these safeguards remain necessary both to prevent the development of casinos in unsuitable premises, and to protect children and other vulnerable people from inadvertent exposure to gambling opportunities. It has therefore decided to propose replicating the existing position through two mandatory conditions that:

- **the principal entrance to the premises should be from the street;**
- **no entrance to the premises should be from a premises wholly or mainly used by children and young people.**

4.9 The Government has noted the concerns of a number of casino operators who suggested that the requirement for the principal entrance to the casino to be from the street might not be consistent with the regional casino model, where the entrance is often set back from a street or is accessed via a hotel lobby. However, it is important to note that definition of "street" has been drawn very widely, and the requirement will relate to the area identified as forming part of the casino premises on the licence – and this again will be flexible.

Question 10: Do you agree with the two proposed mandatory conditions relating to entrance to casino premises? (Para 4.8)

Betting premises

4.10 To ensure that people who may be underage or vulnerable and who have entered a premises for one purpose are not inadvertently drawn into gambling, there will be a mandatory condition prohibiting access to betting premises (except tracks) from other commercial premises.

Question 11: Do you agree with the proposal for a mandatory condition prohibiting access to betting premises (except tracks) from other commercial premises? (Para 4.11)

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5. Access to different parts of premises

5.1 In the case of certain premises, further rules will apply to access between different parts of those premises. In every case, these relate to the protection of children and young people, and ensuring that they do not gain access to gambling facilities which they are not permitted to use.

FECs and bingo halls

5.2 Section 47(7) of the 2005 Act makes it an offence to permit a child or young person to enter any part of a licensed family entertainment centre where a Category C gaming machine is in use or available for use.

5.3 This replicates the requirement under the current law which requires seaside arcades to confine what will become Category C machines to over 18 areas. The current requirements relating to the segregated area are set out in Paragraph 10B(3)(b) of Schedule 9 of the Gaming Act 1968, and the intention is merely to replicate the existing regulations as a mandatory condition attached to FEC licences.

5.4 As noted above, in the light of its decisions not to restrict internal access between bingo halls and FECs, the government has decided that this rule should also apply to bingo halls which permit children or young people to enter their premises.

5.5 The following is therefore proposed:

- **The requirements of Schedule 9 to the Gaming Act 1968 (paragraph 10B(3)(b)) will be replicated in mandatory conditions attached to FEC licences. These deal with separation of, and access to machines that are for over 18's only, supervision of the area in which these machines are kept, and notices stating the age limits.**
- **These requirements will also be applied to bingo halls which permit children and young people to enter. The requirements will not apply to bingo halls which operate their own over-18s policy.**

Question 12: Do you agree with the proposed mandatory conditions relating to access to areas within FECs and bingo halls? (Para 5.5)

Regional casino

5.6 The Act allows children access to the non-gambling areas of the one regional casino permitted by the Act, as these will offer a mix of leisure facilities of which the gambling areas will form just one part. The Act also imposes strict safeguards to ensure that children do not gain access to the gambling areas in the regional casino.

5.7 However, in addition to this requirement, the Government is considering whether any additional safeguards might be necessary to ensure that children are not exposed to gambling in the regional casino setting. It has consulted informally on a proposal that the gambling area should not be capable of being seen from any non-gambling area in the regional casino. A number of casino operators have questioned the evidence base for such an approach, and have suggested that it could create difficult design challenges for the regional casino.

Mandatory and Default Conditions: Consultation Document

5.8 The Government notes that the regional casino is already being given a concession that is not being afforded to other casinos in that children will be allowed in its non gambling areas. It believes that it would be consistent with the views expressed in Parliament on all sides during the passage of the Bill, and with the precautionary principle, for Ministers to decide that this additional safeguard should be introduced.

5.9 However, it is minded to modify the requirement slightly so that the prohibition on sightlines will only apply to those non-gambling areas to which children have access. This means that any non-gambling areas from which children are barred will not be subject to this requirement.

5.10 We propose a mandatory condition that:

- **The gambling area of the premises shall not be capable of being seen from any part of the premises to which children, or young people have access.**

Question 13: Do you agree that a mandatory condition relating to visibility of the gambling area of the regional casino is appropriate? (Para 5.10)

6. Casinos

6.1 The Gambling Act 2005 establishes three new categories of casino, which for the first time will define casinos by reference to their size. The new categories are set out in Section 7(5) of the Act: regional; large; small.

6.2 Under regulations under Section 7(5), the government is proposing to establish minimum and maximum requirements in respect of the total gambling areas in casinos, which will give effect to these new categories.

6.3 Existing casinos licensed under the Gaming Act 1968 will not have to comply with these minimum size requirements, and will instead be granted a converted casino premises licence once the new Act comes into force. This will give existing casinos the same gaming entitlements as they have currently – ie the right to offer up to 20 Category B1 machines.

6.4 In addition to the requirements set out in regulations made under Section 7(5), the Government proposes to impose a number of other minimum requirements relating to casinos, and the gambling and other facilities they offer, through mandatory premises licence conditions. We set out our initial thinking on what these conditions should be in our informal consultation letter on regulations under Section 7(5), and these proposals were replicated in the informal consultation on mandatory and default premises licence conditions, and we have considered very carefully the responses that we received to both informal consultation exercises.

Table gaming area

6.5 We originally proposed that:

- Casinos must provide the following minimum table gaming area:
 - Small casinos: a minimum of 500m²
 - Large casinos: a minimum of 1000m²
 - Regional casinos: a minimum of 1000m²

Mandatory and Default Conditions: Consultation Document

- Only table gaming may take place in the table gaming areas of casinos
- No area counting towards the minimum table gaming area may comprise less than 25% of the total minimum table gaming area.

6.6 The first proposal, which would give effect to longstanding and previously published policy, attracted little comment.

6.7 However, a number of casino operators expressed considerable disquiet about the second and third proposals. Many felt that the requirement that only table games should be allowed in the table gaming area was inflexible and constituted an unnecessary regulatory interference in what should be management decisions. There was also a risk that segregating gaming tables and machines in the way that was apparently proposed would lead to large machine sheds, which was the opposite of what the Government wanted to achieve.

6.8 A number of operators also interpreted the third requirement as meaning that the smallest Salle Privee would need to comprise at least 25% of the total table gaming area. Many operators also pointed out that many casinos tended to be configured so as to offer groups of tables around a common table pit, with gaming machines and other gambling facilities around them. Larger casinos would consist of a series of these smaller gaming areas offering a mix of table and gaming machines.

6.9 We do not believe that these proposals, save for one modification which is explained below, would prevent casinos from being configured in this way. The adverse comments that these proposals attracted seem to stem more from a misunderstanding of what was being proposed.

6.10 As noted above, the requirement for casinos to have a minimum table gaming area was largely non-controversial. The government continues to believe that this is a necessary requirement to help preserve the concept of a British casino, which assumes a table gaming area which is real and operative, and to ensure that casinos do not evolve in to machine shed as they have in other jurisdictions.

6.11 If we are going to have a minimum table gaming requirement, it is in the interests of operators and regulators alike that there should be a clear definition of what this area should constitute. We have proposed that the table gaming area should consist of the area that contains table games, whether these be real, wholly automatic or a hybrid of the two.

6.12 This requirement will not prevent operators from positioning a gaming machine or other gambling facilities in areas close to table games. It does not in any way fetter the freedom of operators to configure their premises in the way they want. It would also not prevent casinos from being configured in the way described above ie with groups of tables around a common table pit, with machines and other gambling facilities around them. All it would mean is that operators would not be able to count any area containing gaming machines or other gambling facilities towards the minimum table gaming area.

6.13 The requirement that no area counting towards the minimum table gaming area may comprise less than 25% of the total table gaming area was another longstanding policy commitment, and was not one that had attracted adverse comment until now. The intention behind this measure is to ensure that the new casinos contain readily identifiable table gaming areas, and avoid a fragmented approach eg a hotel with a single gaming table in every room.

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6.14 Casinos would still be allowed Salles Privees and other smaller table gaming areas. However, they would only count towards the total table gaming area where they were contiguous with a larger table gaming area that met the minimum size requirement. A Salle Privee that was accessed directly from one of the principal table gaming areas may well meet this requirement. A Salle Privee that was situated on its own in another part of the premises might not.

6.15 The Government has listened carefully to those operators who suggested that 25% was setting the minimum requirements too high. One pointed out that pit sizes vary dramatically: a pit of eight roulette tables would under the Gambling Commission's current guidelines require 148.8m², and one with six blackjack and six poker tables would require 100.8 m². Taken together, all 20 tables could be provided in just less than 250 m².

6.16 The Government has therefore decided to modify its original proposal so that no areas counting towards the minimum table gaming area should comprise less than 12.5% of the total minimum table gaming requirement for that casino. The government hopes that this approach will be more flexible for operators, while still delivering the intended regulatory objective.

6.17 Finally, a number of questions have been raised about where the table gaming area should begin and end, and how it should be measured for the purposes of ensuring that the minimum are requirements are complied with.

6.18 One operator suggested a minimum circulation of space requirement between the table games and other gambling facilities should be introduced of say 2 to 3 metres. We are attracted to this idea as it would provide a clear guide to operators and regulators alike as to where the table gaming area and other gambling areas should begin and end.

6.19 We are therefore proposing an additional requirement that there must be a minimum of two meters between table games and any other gambling facilities. We would welcome feedback on this proposal.

6.20 In summary, we propose to add the following mandatory conditions to the 1 regional, 8 large and 8 small casino licences permitted by the Act:

- **Casinos must provide the following minimum table gaming area:**
 - **Small casinos: a minimum of 500m²**
 - **Large casinos: a minimum of 1000m²**
 - **Regional casinos: a minimum of 1000m²**
- **Only table gaming may take place in the table gaming areas of casinos**
- **No area counting towards the minimum table gaming area may comprise less than 12.5% of the total minimum table gaming area for that category of casino.**
- **No other gambling facilities may be situated within 2 metres of any table game.**

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- **For the purposes of these conditions, table games are defined as:**
 - **ordinary table games - ie gaming tables which facilitate the playing of casino games ie card games, dice games, roulette etc.**
 - **tables operated by employees but on which customers place stakes on automated terminals;**
 - **wholly automated tables of the sort permitted by virtue of section 235(2)(i) of the Act.**

6.21 It is important to note that these requirements will only relate to the 17 new casinos permitted by the Act. Existing casinos will not be obliged to meet these requirements, as they will not be subject to any minimum or maximum table gaming area requirement.

Question 14: Do you agree that the mandatory conditions set out in Para 6.20 relating to the new casinos permitted by the Act are appropriate? (Para 6.20)

Non-gambling area

6.22 We are also proposing the following mandatory conditions relating to non-gambling areas in new casinos:

- **New casinos must offer the following minimum non-gambling areas:**
 - **Regional - 1,500m²**
 - **Large - 500m²**
 - **Small - 250m²**
- **No gambling facilities may be offered in the non-gambling area.**
- **The area must be readily accessible to customers (ie offices, kitchen areas, etc will not count).**
- **The area must include recreational facilities for casino customers which are available for use while the casino is open.**
- **The area may include, but should not consist exclusively of, lavatories and lobby areas.**

6.23 The fundamental space requirements relating to the non-gambling areas of the new casinos represents longstanding policy and these proposals did not occasion much comment during the informal consultation process.

6.24 The informal consultation also floated the possibility of applying a non-gambling requirement to existing casinos for the first time. We proposed either a non-specific requirement, or that a non-gambling area equivalent to 10% of the total gaming area should be provided. Many existing casino operators and their representative bodies noted that most operators were already providing café, bar and other facilities that would meet the requirements of this proposal. However, there is a difference between them making a commercial decision to offer such facilities and a requirement to do so being imposed through regulation. Some also argued that many casinos might not have the space to comply with the requirement, and some might effectively be forced to remove table top gaming facilities that had been installed in bar areas.

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6.25 On the other hand, some respondents to the informal consultation exercise suggested that it was unfair to impose different requirements on the different categories of casino, and that a blanket requirement to offer a non-gambling area equivalent to 50% of the total gambling area might be more appropriate. They recognised that such a requirement might prove difficult from some established casinos, but need not be problematic for casinos that were only now securing licences to operate under the 1968 Act and which had not yet been developed. One respondent also described the proposal to allow toilets and lobby areas for form part of the non-gambling area as falling pitifully short. It should be noted that this proposal reflected the experience of Gamcare and other organisations that toilet facilities can be a particularly effective place to distribute information about where to get help with problem gambling.

6.26 The Government continues to believe that providing a non-gambling area in casinos is an important way of ensuring that customers can take a break from gambling and to reflect, if they need to do so. It would be entirely consistent with the licensing objectives of the new Act to introduce such a requirement on all casinos.

6.27 In view of the mixed messages that have emerged on this issue through the informal consultation process, the Government has decided that it would be helpful to test opinion further during the formal consultation period. The Government has therefore decided to consult formally on the proposal that:

- **Casinos with converted licences must offer a minimum non-gambling area equivalent to at least 10% of its total gambling area.**

Question 15: Do you agree with the proposal to include a mandatory condition for casinos with converted licences specifying that they must offer a minimum non-gambling area equivalent to at least 10% of its total gambling area? (Para 6.27)

7. Ancillary Activities

7.1 The Government's view is that the primary purpose of gambling licensed premises should be the provision of facilities for gambling. Any non-gambling activities that take place in gambling licensed premises should:

- be ancillary to the gambling facilities offered;
- should not distract customers who are gambling or adversely affect in some other way fair and open conduct of gambling on the premises; and,
- except in the case of FECs where other forms of family entertainment often form part of the core offer, should not of themselves provide an inducement for people to enter the premises for purposes other than gambling.

7.2 In general, the Government does not consider it necessary to set conditions prohibiting certain ancillary activities, and prefers to leave any relevant rules on what may or may not be acceptable to Gambling Commission Codes of Practice and Guidance. However, there are a number of specific instances where government believes that conditions are necessary to prevent customers being distracted or gambling taking place that is unfair.

7.3 The Government therefore proposes that there should be the following mandatory conditions:

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Adult Gaming Centres

- Alcohol will not be permitted to be consumed on the premises.

Family Entertainment Centres

- Alcohol will not be permitted to be consumed on the premises.

Question 16: Do you agree with the proposed mandatory condition prohibiting the consumption of alcohol on AGC and FEC premises? (Para 7.3)

Betting Offices

7.4 Under paragraph 1 of Schedule 4 of the 1963 Betting Gaming and Lotteries Act betting shops are in general not permitted to be used for anything other than the acceptance of bets. The Government believes that this is an important principle, as it helps to prevent people not intending to gamble being attracted into gambling premises. We therefore intend to maintain this principle in regulations. The Government believes that a sensible approach is to base these restrictions on the existing provisions of Schedule 4 to the 1963 Act, which have worked well. We are therefore proposing to set the following mandatory conditions restricting the activities that can be carried out in licensed betting premises (other than tracks):

- **No apparatus for making information or other material available in the form of sounds or visual images may be used on the licensed premises, except where the matter seen or heard is a sporting event and bets may have been effected on the premises in relation to that event. This condition will be drafted to incorporate new forms of media and the current restrictions on images shown in betting shops will be amended to permit the showing of betting operator owned TV channels.**
- **No music, dancing or other entertainment is to be permitted on the premises;**
- **Refreshments may be provided on the premises, but alcohol may not. Note that there will be an additional prohibition on an alcohol licence being obtained for certain premises (including betting shops) under the Licensing Act 2003.**
- **The only publications that may be sold on the premises are racing periodicals or specialist betting publications.**
- **National Lottery products may not be sold on the premises.**

7.5 The same restrictions will not apply to betting premises licences issued to tracks, which are premises primarily intended for entertainments other than gambling. On tracks, the sale of alcohol will not be prohibited, and there will be no restriction on offering ancillary entertainment.

Question 17: Do you agree with the proposed mandatory condition restricting the activities that can be carried out in licensed betting offices (other than tracks)? (Para 7.4)

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8. Information to be displayed

8.1 In general, the government only proposes to make mandatory conditions in respect of the display of information that it considers is fundamental to the licensing objectives of the Act. This will include the display of information relating to:

- evidence that a premises has the relevant permissions to provide gambling facilities under the Gambling Act;
- rules on children and young people's access to the premises;
- the fair and open conduct of gambling eg rules, charges etc as appropriate.

8.2 The display of other information may be dealt with separately in Gambling Commission Codes of Practice and Guidance.

8.3 The display of information on gaming machines will be covered in regulations, codes of practice and guidance issued under Part 10 of the Act.

8.4 For these reasons the government proposes the following:

- **a mandatory condition attached to all premises licences that a summary of the premises licence should be displayed on the premises.**

8.5 In addition, there will be a mandatory condition attached to classes of premises licence requiring the display of the following information:

Casinos

- **At all entrances to casinos a notice stating that no person under the age of 18 will be admitted. This requirement will not apply to the non-gambling areas of the regional casino.**
- **The rules of the games that are available to be played in the table gaming area must be displayed in that area (this can be by sign or leaflet).**

Bingo

- **On the premises, a notice stating that no person under 18 can gamble on the premises**
- **A notice displaying any admission charges and the charges for playing bingo games**

Adult Gaming Centres

- **On the premises, a notice stating that under 18's are prohibited from entering the premises and**
- **a notice stating that no alcohol may be consumed on the premises**

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Betting Offices and Tracks

- **A notice stating that no person under the age of 18 will be permitted to enter, at all entrances in betting premises other than tracks.**
- **Clear and accessible information about the terms on which a bet may be placed must be displayed on betting premises, including tracks.**

The Gambling Commission will require, through the operator licence, that on-course bookmakers on horserace courses and greyhound tracks must themselves display clearly any of their own rules that differ from those displayed under the track premises license.

Question 18: Do you agree with the proposed mandatory conditions specifying the information that is to be displayed? (Paras 8.4 – 8.5)

9. Other conditions to be attached to a track premises licence

9.1 In order to ensure that the public are not exposed to unlicensed betting operators while on a track, we are proposing the following:

- **A mandatory condition on all premises licences issued to track will require the track operator to make arrangements to verify the betting operator licences of bookmakers permitted to accept bets on track, and to remove unlicensed bookmakers. This will be supported by Gambling Commission guidelines issued to track operators.**

Question 19: Do you agree that track operators should have responsibility for ensuring that only appropriately licensed betting operators are accepting bets on their premises? (Para 9.1)

9.2 As part of the informal consultation exercise we proposed that by default condition we would specify that from 1 September 2007 betting on tracks should only be permitted in hospitality areas and:

- In relation to grandfathered licences, those areas for which a track holds a Certificate of Approval (for racecourses) or where betting is currently carried out (for other tracks);
- In relation to new licences (to come into effect 1 September 2007 or later) those areas identified on the plan submitted with the licence application as being betting areas.
- Licensing authorities may request to vary the number, size and location of these areas when applying for their Gambling Act 2005 premises licence.

9.3 However, following consultation with the industry, we are concerned that this proposal struck an inequitable balance between horserace tracks, which are currently subject to Certificates of Approval, which specify approved betting areas to which better operators (other than the Tote) are restricted, and other tracks which operate under Track Betting Licences, and are able to provide betting anywhere on track. We are therefore now proposing not to impose any default conditions on tracks in relation to specified permitted

Mandatory and Default Conditions: Consultation Document

betting areas (other than in relation to the 'five times rule' for horserace courses as set out in Para 9.5 below).

9.4 The Secretary of State will be able to reconsider the lack of any condition limiting the areas in which betting may take place at any time in the future, should evidence of harm emerge.

Question 20: Do you agree with the approach that there should be no licence condition limiting areas on a track where bets may be taken? (Para 9.2)

Horserace Courses

9.5 In our 2003 Policy Position Paper on Licensed Betting Premises the Government stated that while it accepted that Gambling Review's recommendation that the 'five times rule' relating to admission charges payable by bookmakers to enter a track (see Sections 13 and 18 of the Betting, Gaming and Lotteries Act 1963) should be abolished, we did not believe it was appropriate to immediately move to a fully commercially based admission charge for bookmakers on horserace courses. In line with this policy we are now proposing that:

- **The 'five times rule' (which requires that the charge made to the bookmaker for entry to that place does not exceed five times the cost of the highest charge made to the public to enter that place, or one times the charge for any bookmaker's assistant), will be replicated as a mandatory condition on betting premises licences for horserace courses in relation to the betting rings that are subject to the five times rule on 31 August 2007, including temporary betting areas. This will lapse after five years.**
- **We may also set default conditions to a track premises licence to protect areas to which the 'five times rule' applies for a period of five years, or to prevent racecourses seeking to circumvent the 'five times' rule by increasing other costs or applying new charges beyond a reasonable level.**

9.6 Within the constraints of any conditions set under the second bullet point below, racecourses will be permitted establish new betting rings, which will not be subject to a mandatory condition replicating the five times rule. The cost of establishing a pitch in these new areas will be left to regulation by the market.

Question 21: In your view do you think that the proposed conditions are sufficient to protect the 'five times rule' on horserace courses? What additional protections would you suggest? (Para 9.5)

Greyhound Tracks

9.7 A totalisator on a licensed dog track can currently be operated only while the public are admitted to the track for the purpose of attending dog races and no other sporting events are taking place on the track; and for effecting betting transactions on dog races run on that track.

- **This will be replicated through mandatory conditions (either on the operating or the premises licence). The current equivalent is section 16 of the Betting, Gaming and Lotteries Act 1963.**

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Question 22: Do you agree with the proposal to replicate through mandatory conditions the operation of a totalisator on a licensed dog track? (Para 9.7)

10. Section 182 - Exclusion of Children from Track Areas

10.1 Section 182(1)(a) places a condition on the track premises licence that the licensee shall ensure that children and young persons are excluded from any area where facilities for betting are provided. Section 182(2) exempts horserace courses and greyhound tracks from this condition on days when racing is taking place, meaning that children are permitted in betting areas on those premises on race days.

10.2 Under section 182(4) the Secretary of State may add to the premises which are exempt from section 182(1)(a). She may therefore specify other tracks which would not be required to exclude children and young people from betting areas on days when sporting events are taking place. **The Government is minded to add other tracks to this exemption**, specifically football, rugby and cricket grounds. The Government considers that it may be safe to do this because:

- There is no evidence that the current arrangements for betting on these grounds are encouraging children and young people to gamble;
- Betting operators will be subject to conditions preventing them from accepting bets from children and young people;
- The exemption will not extend to areas where gambling machines are provided, which premises licence holders must ensure are supervised, and to which under 18 year olds are not permitted.
- Bet receipt terminals on tracks must also be supervised to prevent access by children and young people.

Question 23: Do you think other tracks should be added to the list exempt from section 182 (1)(a)? If so, which ones? (Para 10.2)

Gambling and National Lottery Licensing Division
DCMS
August 2006

The purpose of this paper is to consult. It does not represent agreed government policy.

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Annex A – Full List of Proposed Mandatory and Default Conditions

Ref	Mandatory or Default?	Sector	Condition	Notes
1	M	Existing and new casinos	A maximum of 40 player positions at wholly automated versions of real games of chance, 'automated table games', in any casino.	
2	M	Existing and new casinos	A minimum of four player positions for any individual automated table game.	
3	M	Existing and new casinos	ATMs must be positioned so that customers must cease to gamble at tables or gaming machines in order to use them.	
4	M	Bingo	ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.	
5	M	AGCs, FECs and betting shops	ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.	
6	M	Existing and new casinos	Compliance with GC code of practice in relation to children's access to casino premises.	
7	M	New Casinos	A maximum of 40 bet receipt terminals permitted in casinos.	Bet receipt terminals only to be permitted in new casinos under current plans.
8	M	Tracks	Bet receipt terminals must be supervised on tracks.	Tracks are the only betting licensed premises where children are allowed.
9	D	Existing and new casinos	No gambling facilities may be offered between 6am and noon on any day.	
10	D	Betting offices	No gambling facilities may be offered between 10pm and 7am on any day.	
11	D	Tracks	On days when no public sporting event is taking place on a track, no gambling facilities may be offered between 10pm and 7am.	No restrictions on gambling hours for days on which a public sporting event is taking place on a track.
12	D	Bingo	No gaming facilities may be offered between Midnight and 9am on any day.	
13	M	All	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter, and another licensed premises which children are not permitted by the Act to enter.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
14	M	All	There can be no direct, internal access between one licensed premises which children are <u>not</u> permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act to which children <u>are</u> permitted to enter, except as between betting premises (betting shops and tracks).	
15	M	Bingo	There can be no direct internal access between a premises with a bingo premises licence and a club with a club gaming or club gaming machine permit.	

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Ref	Mandatory or Default?	Sector	Condition	Notes
16	M	Existing and new casinos	The principal entrance to the premises should be from the street.	
17	M	Existing and new casinos	No entrance to the premises should be from a premises wholly or mainly used by children and young people.	
18	M	Betting offices	Prohibition on access to betting premises (except tracks) from other commercial premises	
19	M	FECs, and bingo halls which permit children and young people to enter	The requirements of Schedule 9 to the Gaming Act 1968 (paragraph 10B(3)(b)) will be replicated in mandatory conditions attached to FEC licences. These deal with separation of, and access to machines that are for over 18's only, supervision of the area in which these machines are kept, and notices stating the age limits.	This will not apply to bingo halls which operate their own over-18s policy.
20	M	Regional casino	The gambling area of the premises shall not be capable of being seen from any part of the premises to which children, or young people have access.	
21	M	New casinos	Casinos must provide the following minimum table gaming area: <ul style="list-style-type: none"> ○ Small casinos: a minimum of 500m² ○ Large casinos: a minimum of 1000m² ○ Regional casinos: a minimum of 1000m² 	<p>For the purposes of these conditions, table games are defined as:</p> <ul style="list-style-type: none"> ○ ordinary table games - ie gaming tables which facilitate the playing of casino games ie card games, dice games, roulette etc. ○ tables operated by employees but on which customers place stakes on automated terminals; ○ wholly automated tables of the sort permitted by virtue of section 235(2)(i) of the Act.
22	M	New casinos	Only table gaming may take place in the table gaming areas of casinos	
23	M	New casinos	No area counting towards the minimum table gaming area may comprise less than 12.5% of the total minimum table gaming area for that category of casino.	
24	M	New casinos	No other gambling facilities may be situated within 2 metres of any table game.	

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Ref	Mandatory or Default?	Sector	Condition	Notes
25	M	New casinos	<p>New casinos must offer the following minimum non-gambling areas:</p> <ul style="list-style-type: none"> • Regional - 1,500m² • Large - 500m² • Small - 250m² <ul style="list-style-type: none"> • No gambling facilities may be offered in the non-gambling area. • The area must be readily accessible to customers (ie offices, kitchen areas, etc will not count). • The area must include recreational facilities for casino customers which are available for use while the casino is open. • The area may include, but should not consist exclusively of, lavatories and lobby areas. 	
26	M	Casinos with converted licences	Must offer a minimum non-gambling area equivalent to at least 10% of its total gambling area.	
27	M	AGCs and FECs	Alcohol will not be permitted to be consumed on the premises.	
28	M	Licensed betting premises (other than tracks)	No apparatus for making information or other material available in the form of sounds or visual images may be used on the licensed premises, except where the matter seen or heard is a sporting event and bets may have been effected on the premises in relation to that event.	This condition will be drafted to incorporate new forms of media and the current restrictions on images shown in betting shops will be amended to permit the showing of betting operator owned TV channels.
29	M	Licensed betting premises (other than tracks)	No music, dancing or other entertainment is to be permitted on the premises.	
30	M	Licensed betting premises (other than tracks)	Refreshments may be provided on the premises, but alcohol may not.	Note that there will be an additional prohibition on an alcohol licence being obtained for certain premises (including betting shops) under the Licensing Act 2003.
31	M	Licensed betting premises (other than tracks)	The only publications that may be sold on the premises are racing periodicals or specialist betting publications.	

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Ref	Mandatory or Default?	Sector	Condition	Notes
32	M	Licensed betting premises (other than tracks)	National Lottery products may not be sold on the premises.	
33	M	All licensed premises	A summary of the premises licence should be displayed on the premises.	
34	M	Existing and new casinos	At all entrances to casinos a notice stating that no person under the age of 18 will be admitted. This requirement will not apply to the non-gambling areas of the regional casino.	
35	M	Existing and new casinos	The rules of the games that are available to be played in the table gaming area must be displayed in that area (this can be by sign or leaflet).	
36	M	Bingo	On the premises, a notice stating that no person under 18 can gamble on the premises.	
37	M	Bingo	A notice displaying any admission charges and the charges for playing bingo games.	
38	M	AGCs	On the premises, a notice stating that under 18's are prohibited from entering the premises and a notice stating that no alcohol may be consumed on the premises(which replicates the existing situation).	
39	M	Betting offices and tracks	A notice stating that no person under the age of 18 will be permitted to enter, at all entrances in betting premises other than tracks.	
40	M	Betting offices and tracks	Clear and accessible information about the terms on which a bet may be placed must be displayed in betting premises.	On racecourses and greyhound tracks this condition will require the premises licence holder to display standard rules of betting in or adjacent to the betting ring, or in the race card.
41	M	Horserace courses	The track operator will have to make arrangements to verify the operator licences of bookmakers permitted to operate on track, and to remove unlicensed bookmakers.	This will be supported by Gambling Commission guidelines issued to track operators.
42	M	Horserace courses	The 'five times' rule (which requires that the charge made to the bookmaker for entry to that place does not exceed five times the cost of the highest charge made to the public to enter that place, or one times the charge for any bookmaker's assistant), will be replicated as a mandatory condition on betting premises licences for horserace and greyhound tracks in relation to the betting rings that are subject to the five times rule on 31 August 2007, including temporary betting areas. This will lapse after five years.	We may also set default conditions to a track premises licence to protect areas to which the 'five times' rule applies for a period of five years, or to prevent tracks seeking to circumvent the 'five times' rule by increasing other costs or applying new charges.

Mandatory and Default Conditions: Consultation Document

Ref	Mandatory or Default?	Sector	Condition	Notes
43	M	Greyhound tracks	A totalisator on a licensed dog track can be operated only while the public are admitted to the track for the purpose of attending dog races and no other sporting events are taking place on the track; and for effecting betting transactions on dog races run on that track.	This will be a mandatory condition either on the operating or the premises licence. The current equivalent is section 16 of the Betting, Gaming and Lotteries Act 1963

Mandatory and Default Conditions: Consultation Document

Annex A – List Of Proposed Mandatory And Default Conditions By Sector

MANDATORY AND DEFAULT CONDITIONS - CASINOS

Ref	Mandatory or Default?	Subject	Condition	Notes
ALL CASINOS				
13	M	Access between premises	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter, and another licensed premises which children are not permitted by the Act to enter.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
14	M	Access between premises	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act to which children are permitted to enter, except as between betting premises (betting shops and tracks).	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
33	M	Information to be displayed	A summary of the premises licence should be displayed on the premises.	
1	M	Automated table games	A maximum of 40 player positions at wholly automated versions of real games of chance, 'automated table games', in any casino.	
2	M	Automated table games	A minimum of four player positions for any individual automated table game.	
3	M	ATMs	ATMs must be positioned so that customers must cease to gamble at tables or gaming machines in order to use them.	
6	M	Access to premises by children	Compliance with GC code of practice in relation to children's access to casino premises.	
9	D	Gambling hours	No gambling facilities may be offered between 6am and noon on any day.	
16	M	Access to premises	The principal entrance to the premises should be from the street.	
17	M	Access to premises	No entrance to the premises should be from a premises wholly or mainly used by children and young people.	
35	M	Information to be displayed	The rules of the games that are available to be played in the table gaming area must be displayed in that area (this can be by sign or leaflet).	
34	M	Information to be displayed	At all entrances to casinos a notice stating that no person under the age of 18 will be admitted. This requirement will not apply to the non-gambling areas of the regional casino.	
NEW CASINOS ONLY				
7	M	Bet Receipt terminals	A maximum of 40 bet receipt terminals permitted in casinos.	Bet receipt terminals only to be permitted in new casinos under current plans.
20	M	Gambling area visibility	The gambling area of the premises shall not be capable of being seen from any part of the premises to which children, or young people have access.	This applies to the Regional Casino only.

Mandatory and Default Conditions: Consultation Document

Ref	Mandatory or Default?	Subject	Condition	Notes
21	M	Table gaming area	<p>Casinos must provide the following minimum table gaming area:</p> <p>Small casinos: a minimum of 500m²</p> <p>Large casinos: a minimum of 1000m²</p> <p>Regional casinos: a minimum of 1000m²</p>	<p>For the purposes of these conditions, table games are defined as:</p> <p>- ordinary table games – ie gaming tables which facilitate the playing of casino games ie card games, dice games, roulette etc.</p> <p>- tables operated by employees but on which customers place stakes on automated terminals;</p> <p>- wholly automated tables of the sort permitted by virtue of section 235(2)(i) of the Act.</p>
22	M	Table gaming area	Only table gaming may take place in the table gaming areas of casinos	
23	M	Table gaming area	No area counting towards the minimum table gaming area may comprise less than 12.5% of the total minimum table gaming area for that category of casino.	
24	M	Table gaming area	No other gambling facilities may be situated within 2 metres of any table game.	
25	M	Non-gambling area	<p>New casinos must offer the following minimum non-gambling areas:</p> <p>Regional – 1,500m²</p> <p>Large - 500m²</p> <p>Small - 250m²</p> <p>No gambling facilities may be offered in the non-gambling area.</p> <p>The area must be readily accessible to customers (ie offices, kitchen areas, etc will not count).</p> <p>The area must include recreational facilities for casino customers which are available for use while the casino is open.</p> <p>The area may include, but should not consist exclusively of, lavatories and lobby areas.</p>	
CASINOS WITH CONVERTED LICENCES				
26	M	Non-gambling area	Must offer a minimum non-gambling area equivalent to at least 10% of its total gambling area.	

Mandatory and Default Conditions: Consultation Document

MANDATORY AND DEFAULT CONDITIONS - BINGO

Ref	Mandatory or Default?	Subject	Condition	Notes
13	M	Access between premises	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter, and another licensed premises which children are not permitted by the Act to enter.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
14	M	Access between premises	There can be no direct, internal access between one licensed premises which children are <u>not</u> permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act to which children <u>are</u> permitted to enter, except as between betting premises (betting shops and tracks).	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
33	M	Information to be displayed	A summary of the premises licence should be displayed on the premises.	
4	M	ATMs	ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.	
12	D	Gambling hours	No gaming facilities may be offered between Midnight and 9am on any day.	
15	M	Access between premises	There can be no direct internal access between a premises with a bingo premises licence and a club with a club gaming or club gaming machine permit.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
19	M	Access by children and young people	The requirements of Schedule 9 to the Gaming Act 1968 (paragraph 10B(3)(b)) will be replicated in mandatory conditions attached to FEC licences. These deal with separation of, and access to machines that are for over 18's only, supervision of the area in which these machines are kept, and notices stating the age limits.	This will not apply to bingo halls which operate their own over-18s policy.
36	M	Information to be displayed	On the premises, a notice stating that no person under 18 can gamble on the premises.	
37	M	Information to be displayed	A notice displaying any admission charges and the charges for playing bingo games.	

Mandatory and Default Conditions: Consultation Document

MANDATORY AND DEFAULT CONDITIONS – AGCs / FECs

Ref	Mandatory or Default?	Subject	Condition	Notes
AGCs / FECs				
13	M	Access between premises	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter, and another licensed premises which children are not permitted by the Act to enter.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
14	M	Access between premises	There can be no direct, internal access between one licensed premises which children are <u>not</u> permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act to which children <u>are</u> permitted to enter, except as between betting premises (betting shops and tracks).	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
33	M	Information to be displayed	A summary of the premises licence should be displayed on the premises.	
5	M	ATMs	ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.	
27	M	Alcohol	Alcohol will not be permitted to be consumed on the premises.	
AGCs ONLY				
38	M	Information to be displayed	On the premises, a notice stating that under 18's are prohibited from entering the premises and a notice stating that no alcohol may be consumed on the premises(which replicates the existing situation).	
FECs ONLY				
19	M	Access by children and young people	The requirements of Schedule 9 to the Gaming Act 1968 (paragraph 10B(3)(b)) will be replicated in mandatory conditions attached to FEC licences. These deal with separation of, and access to machines that are for over 18's only, supervision of the area in which these machines are kept, and notices stating the age limits.	

Mandatory and Default Conditions: Consultation Document

MANDATORY AND DEFAULT CONDITIONS – BETTING OFFICES & TRACKS

Ref	Mandatory or Default?	Subject	Condition	Notes
ALL				
13	M	Access between premises	There can be no direct, internal access between one licensed premises which children are not permitted by the Gambling Act to enter, and another licensed premises which children are not permitted by the Act to enter.	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
14	M	Access between premises	There can be no direct, internal access between one licensed premises which children are <u>not</u> permitted by the Gambling Act to enter and another licensed premises or premises with a permit under the Gambling Act to which children <u>are</u> permitted to enter, except as between betting premises (betting shops and tracks).	These conditions will be drafted in such a way as to ensure that any divide between premises is real and effective.
33	M	Information to be displayed	A summary of the premises licence should be displayed on the premises.	
40	M	Information to be displayed	Clear and accessible information about the terms on which a bet may be placed must be displayed in betting premises.	On racecourses and greyhound tracks this condition will require the premises licence holder to display standard rules of betting in or adjacent to the betting ring, or in the race card.
BETTING OFFICES (NOT TRACKS)				
5	M	ATMs	ATMs must be positioned so that customers must cease to gamble at gaming machines in order to use them.	
10	D	Gambling hours	No gambling facilities may be offered between 10pm and 7am on any day.	
18	M	Access between premises	Prohibition on access to betting premises (except tracks) from other commercial premises	
28	M	Ancillary Activities	No apparatus for making information or other material available in the form of sounds or visual images may be used on the licensed premises, except where the matter seen or heard is a sporting event and bets may have been effected on the premises in relation to that event.	This condition will be drafted to incorporate new forms of media and the current restrictions on images shown in betting shops will be amended to permit the showing of betting operator owned TV channels.
29	M	Ancillary Activities	No music, dancing or other entertainment is to be permitted on the premises.	

Mandatory and Default Conditions: Consultation Document

Ref	Mandatory or Default?	Subject	Condition	Notes
30	M	Ancillary Activities	Refreshments may be provided on the premises, but alcohol may not.	Note that there will be an additional prohibition on an alcohol licence being obtained for certain premises (including betting shops) under the Licensing Act 2003.
31	M	Ancillary Activities	The only publications that may be sold on the premises are racing periodicals or specialist betting publications.	
32	M	Ancillary Activities	National Lottery products may not be sold on the premises.	
39	M	Information to be displayed	A notice stating that no person under the age of 18 will be permitted to enter, at all entrances in betting premises other than tracks.	
TRACKS ONLY				
8	M	Bet receipt terminals	Bet receipt terminals must be supervised on tracks.	Tracks are the only betting licensed premises where children are allowed.
11	D	Gambling hours	On days when no public sporting event is taking place on a track, no gambling facilities may be offered between 10pm and 7am.	No restrictions on gambling hours for days on which a public sporting event is taking place on a track.
43	M	Greyhound tracks - Totalisator	A totalisator on a licensed dog track can be operated only while the public are admitted to the track for the purpose of attending dog races and no other sporting events are taking place on the track; and for effecting betting transactions on dog races run on that track.	This will be a mandatory condition either on the operating or the premises licence. The current equivalent is section 16 of the Betting, Gaming and Lotteries Act 1963
HORSERACE COURSES				
42	M	'Five Times' Rule	The 'five times' rule (which requires that the charge made to the bookmaker for entry to that place does not exceed five times the cost of the highest charge made to the public to enter that place, or one times the charge for any bookmaker's assistant), will be replicated as a mandatory condition on betting premises licences for horserace and greyhound tracks in relation to the betting rings that are subject to the five times rule on 31 August 2007, including temporary betting areas. This will lapse after five years.	We may also set default conditions to a track premises licence to protect areas to which the 'five times' rule applies for a period of five years, or to prevent tracks seeking to circumvent the 'five times' rule by increasing other costs or applying new charges.

Mandatory and Default Conditions: Consultation Document

Ref	Mandatory or Default?	Subject	Condition	Notes
41	M	Verification of Operator	The track operator will have to make arrangements to verify the operator licences of bookmakers permitted to operate on track, and to remove unlicensed bookmakers.	This will be supported by Gambling Commission guidelines issued to track operators.

Mandatory and Default Conditions: Consultation Document

Annex B – List of Consultation Questions

Question 1: Do you agree with the maximum and minimum limits proposed for automated table games? (Para 2.7)

Question 2: Do you agree with the decision not to regulate on the provision of recreational facilities? (Para 2.10)

Question 3: Do you agree that the revised proposals on ATMs address the concerns about compliance and enforcement? (Para 2.14)

Question 4: Do you agree with the proposal not to attach mandatory or default conditions in relation to door supervision for any type of premises? (Para 2.20)

Question 5: Do you agree that the limit of 40 bet receipt terminals in new casinos is appropriate? (Para 2.25)

Question 6: Do you agree that a mandatory condition is required which specifies that bet receipt terminals must be supervised on tracks? (Para 2.29)

Question 7: Do you agree with the proposed gambling hours (Para 3.11 – 3.21) for:

- e) casinos**
- f) betting offices**
- g) tracks**
- h) bingo?**

Question 8: Of the two options proposed, do you agree that option (a), not to set default gambling hours for AGCs and licensed FECs, is the most appropriate? (Para 3.27)

Question 9: Do you agree that the proposed mandatory conditions on access between premises are appropriate? (Para 4.5)

Question 10: Do you agree with the two proposed mandatory conditions relating to entrance to casino premises? (Para 4.8)

Question 11: Do you agree with the proposal for a mandatory condition prohibiting access to betting premises (except tracks) from other commercial premises? (Para 4.10)

Question 12: Do you agree with the proposed mandatory conditions relating to access to areas within FECs and bingo halls? (Para 5.5)

Question 13: Do you agree that a mandatory condition relating to visibility of the gambling area of the regional casino is appropriate? (Para 5.10)

Question 14: Do you agree that the mandatory conditions set out in Para 6.20 relating to the new casinos permitted by the Act are appropriate? (Para 6.20)

Question 15: Do you agree with the proposal to include a mandatory condition for casinos with converted licences specifying that they must offer a minimum non-gambling area equivalent to at least 10% of its total gambling area? (Para 6.27)

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Question 16: Do you agree with the proposed mandatory condition prohibiting the consumption of alcohol on AGC and FEC premises? (Para 7.3)

Question 17: Do you agree with the proposed mandatory condition restricting the activities that can be carried out in licensed betting offices (other than tracks)? (Para 7.4)

Question 18: Do you agree with the proposed mandatory conditions specifying the information that is to be displayed? (Paras 8.4 – 8.5)

Question 19: Do you agree with that track operators should have responsibility for ensuring that only appropriately licensed betting operators are accepting bets on their premises? (Para 9.1)

Question 20: Do you agree with the approach that there should be no licence condition relating to limiting areas on a track where bets may be taken? (Para 9.2)

Question 21: In your view, do you think that the proposed conditions are sufficient to protect the 'five times rule' on horserace course? What additional protections would you suggest? (Para 9.5)

Question 22: Do you agree with the proposal to replicate through mandatory conditions the operation of a totalisator on a licensed dog track? (Para 9.7)

Question 23: Do you think other tracks should be added to the list exempt from section 182 (1)(a)? If so, which ones? (Para 10.2)