



chapter twenty nine

Pool Competitions

- 29.1 As set out in chapter 19, we are recommending that all gambling operators should be licensed by the Gambling Commission. That will apply to companies which promote pools competitions. There are currently three such companies. The largest of which is Littlewoods, which has an 80% market share.

Products

- 29.2 Following the introduction of the National Lottery, the 1963 Act was amended to allow pools coupons to be delivered to, for example, newsagents and betting shops, to be forwarded to the pool promoter. The only coupons that may be administered in this way are those relating to competitions which feature at least four association football matches. In its submission, Littlewoods said that these restrictions were anti-competitive and should be lifted.¹
- 29.3 The prize pool system means that there are similarities between pool competitions, which generally use a points system and are based on the outcome of multiple matches or games, and pool betting which is based on the outcome of a single event. There is sense in requiring pools competitions to be limited to a series of events, but we do not think that there is any justification (on regulatory grounds) to connect the use of retail premises only to coupons related to association football matches. **We recommend that pool competitions on any sport should be permitted to operate through retail premises, rather than be restricted to four association football matches.**

Method of sales

- 29.4 We understand that the Home Office has advised pools companies that the transmission of pool entries must be by physical coupon. This means that on-line sales, for example using the internet, are prohibited. As discussed elsewhere, it is already legal for bookmakers and spread betting firms to receive bets by other channels, including telephone and internet. As long as the event is conducted offline, **we recommend that on-line pools entries should be permitted.** This is also discussed in chapter 30.

Rollovers

- 29.5 The pools industry has pointed out that the Tote, which conducts pool betting, is able to enjoy unlimited rollovers which allow it to build up substantial prizes. In comparison, pool competitions are limited to three consecutive rollovers. The National Lottery is also restricted to three rollovers, apparently to prevent huge jackpots accruing. We have suggested that bingo and lotteries should be permitted to roll over prizes and we see no reason why pools competitions should not enjoy greater freedom. **We recommend that pools competitions be allowed to offer unlimited rollovers.**
- 29.6 Submissions from the Pools Promoters Association and from Littlewoods suggested that there should be a separate rollover facility for different aspects of a single event such as the half-time result jackpot. We concluded that once the principle of offering rollovers on a fragment or part-event had been established, there would be no limit to the variety that could be offered. Therefore, we are recommending that the rollover facility is available only on events in their entirety, and not on part events.

Prize payout

- 29.7 The pools companies must pay out centrally all winnings on pool competitions. They have suggested that the outlet to which the punter delivers his entry should be permitted to pay small winnings, in the same way as National Lottery retailers. If our earlier recommendation is accepted, more entries may be made through retailers and it would be convenient if the punter could be paid any winnings from those premises. **We recommend that retail outlets should be permitted to pay out winnings to a similar level as National Lottery retailers.**