

Government response to the consultation Proposals for changes to Gambling Commission fees from 1 October 2021

Introduction

- 1.1 The Department for Digital, Culture, Media and Sport (DCMS) held a consultation from 29 January 2021 to 26 March 2021 on proposals for changes to Gambling Commission fees. A total of 24 consultation responses were received from trade associations, licensed gambling operators, members of the public, academics and representatives of the House of Lords (Peers for Gambling Reform). A full list of respondents is provided at Annex B to this document.
- 1.2 The consultation proposed an uplift to fees to enable the Gambling Commission (the Commission) to continue to recover its costs and address regulatory challenges. The proposals were to:
 - Increase annual fees for remote operating licences by 55% on 1 October 2021;
 - Increase all application fees by 60% from 1 October 2021;
 - make other changes to simplify the fees system, including removing annual fee discounts for combined and multiple licences, on 1 October 2021; and
 - increase annual fees for non-remote operating licences by 15%, with implementation of these increases delayed until 1 April 2022.
- 1.3 We intend to proceed with implementing all of the proposals as outlined in the consultation document, with two minor amendments to fees regulations as outlined in this response. Changes to licence fees will be implemented through secondary legislation.
- 1.4 The government is carrying out a separate Review of the Gambling Act 2005, which began with a call for evidence on 8 December 2020. This will look at the Commission's powers and resources. While that may lead to further changes to the fees system in future, the uplift to fees now is aimed at ensuring the Gambling Commission is able to meet ongoing challenges while the Review progresses.

Chapter 1: Summary of responses to consultation questions

- 1.5 The responses to the consultation questions are summarised below, along with our response. As with the consultation, the government has taken account of the Gambling Commission's recommendations when developing this response.

Consultation question 1: Do you agree that annual fees should be increased in line with the proposals set out here, in order to enable the Commission to meet the challenges it has identified?

Responses received

- 1.6 All 24 consultation respondents provided views on this question. Six respondents supported the overall proposals to increase annual fees, noting that it was important that the Gambling Commission is funded properly to enable it to be an effective regulator. Other respondents, specifically industry representatives, did not support the proposed uplift in fees.
- 1.7 The most common reason for not supporting the proposed uplift was one of timing. Respondents highlighted the ongoing review of the Gambling Act and suggested that the Commission's fees shouldn't be changed until that review is concluded. Respondents also highlighted the challenging year that the non-remote industry has had due to the COVID-19 pandemic which led to premises closures and felt that it was too soon to predict what the market will look like in 12-18 months. They highlighted that they had received no annual fee refunds whilst their premises were closed and considered that the costs of regulating the non-remote industry going forward would be lower than those forecast in the proposals because they were expecting the industry to shrink, and that this would lead to lower costs of regulation.
- 1.8 A number of respondents felt unable to support any increases in non-remote fees, or for their specific non-remote sector, at the moment. They felt the challenges facing the Gambling Commission did not impact on their type of business and should therefore not be borne by them. Some operators felt that only inflationary increases were appropriate for non-remote fees.
- 1.9 Several respondents commented on the level of the Gambling Commission's proposed investment over the coming years. A number of respondents wanted more detail about how the Commission would spend the fee income, including the surplus income it was forecasting in later years.
- 1.10 A number of respondents thought that the Commission's planned investment in preventing illegal gambling was unnecessary, given the Commission had recently publicly stated that there was little evidence that the black market

was growing. They also suggested that licensed operators should not pay at all for the Commission's work in preventing unlicensed gambling.

Our response

Timing of the proposed uplifts

- 1.11 The government is currently reviewing the Gambling Act and the overarching structure of licence fees, including whether that structure should be more flexible, is one of the issues being considered. However, the Commission needs an increase to fees under the current structure to ensure that it is able to regulate effectively now. Any changes made as a result of the Gambling Act Review may take time to come into effect, but the Commission's costs of regulating have already increased, and will increase further in the short term as a result of the challenges set out in the consultation.
- 1.12 The government and the Commission also recognise that the non-remote sector in particular has been impacted significantly by the nationwide restrictions introduced in response to the COVID-19 outbreak, and it is for this reason that we proposed delaying the uplift in annual fees for these operators until April 2022. The majority of non-remote operators are required to pay their annual fees in August or September each year, meaning that the new annual fee levels for much of the non-remote industry will not be due until August 2022. Annual fees are paid on a forward-facing basis for the year ahead rather than charged in arrears.
- 1.13 The Gambling Act does not currently allow the Commission to refund fees or to waive the requirement to pay fees, even in the unusual circumstances driven by the COVID-19 pandemic. Although when premises are closed there is some reduction in direct activity (e.g. compliance visits), significant parts of the Commission's work need to continue, and much of this work is either specific to non-remote sectors or cross-sector, for example responding to queries, compliance/enforcement effort in respect of existing cases, policy development, research and data collection, horizon scanning. The Commission did not (as was suggested in one response) furlough any of its staff during the pandemic and its work continued.
- 1.14 Although the Commission has forecast that the non-remote sector will shrink temporarily, a reduction in the size of the sector in gross gambling yield (GGY) terms does not equal a reduction in the complexity of the sectors or therefore how much it costs the Commission to regulate them. So a reduction in industry GGY does not necessarily result in a reduction in regulatory cost. The income and cost forecasts included in the Commission's proposals have taken account of the likely size and shape of the market over the coming years.

Level of the non-remote increases

1.15 As set out in the consultation, the increases to non-remote fees were proposed to reflect the increasing costs to the Commission of maintaining its current activity levels, as well as the elements of the challenges facing the Commission that are relevant for the non-remote sectors, such as product and payment innovation. These challenges are being driven primarily by the remote sectors, which is why the fees uplifts proposed are much greater for those sectors. While some innovation is emanating from the non-remote sectors, it is important to emphasize that the fee increases for non-remote operators set out in the consultation are principally to cover the Commission’s rising costs of maintaining existing activity levels.

1.16 The table below shows how much of the Commission’s forecast costs it expects to spend on each sector over the next three years, and how much of its annual fee income it expects to recover from the remote and non-remote sectors.

Table 1: Forecast cost & forecast income split by remote & non-remote

	2021-22			2022-23			2023-24		
	costs	income	diff	costs	income	diff	costs	income	diff
Non Remote	37%	33%	-4%	32%	33%	1%	34%	35%	1%
Remote	63%	67%	4%	68%	67%	-1%	66%	65%	-1%

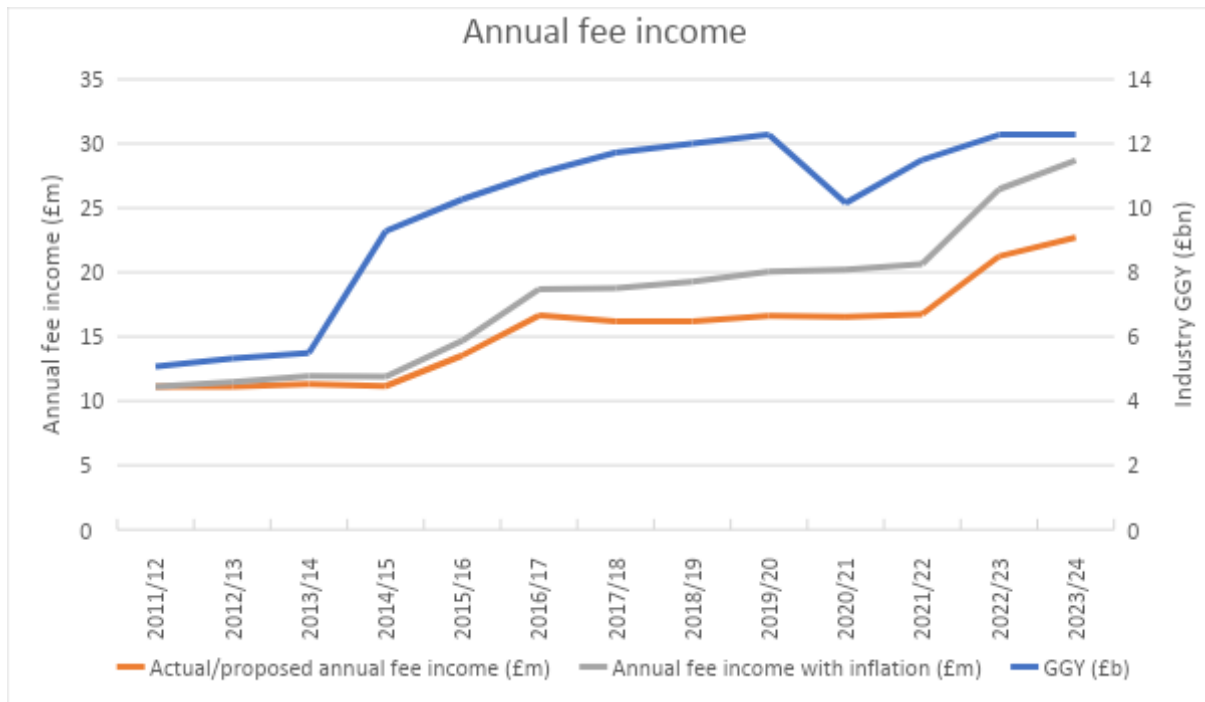
1.17 For example, in 2022-23 the Commission has forecast it will spend 32% of its costs on regulating the non-remote sector and expects to recover 33% of its income from the non-remote sector. It is not possible to exactly match up income and costs in every year as fees are set at the same level each year, while investment and expenditure are not normally static year-on-year. This table indicates that the non-remote industry is not subsidising the regulation of the remote industry, which was a concern raised by a number of respondents.

1.18 A number of respondents said that any increases in non-remote fees should only be linked to inflation. However, the Commission’s costs have been increasing since the last review of fees in 2017 due to the increasing complexity of regulatory activity as well as inflation. With the exception of a number of non-remote bingo operators and larger operators in the market, the vast majority of licensees received reductions in annual fees in 2017, and annual fees for certain types of operator, such as most society lotteries and on-course bookmakers, have not increased since 2007. Given the increases in the Commission’s costs since 2017, it is no longer possible to hold non-remote fees at their current levels.

1.19 The graph below shows how the Commission’s annual fee income would have increased over previous years if inflation had been added to annual fee levels each year. The proposals under this current review would increase annual fees, for many non-remote operators, to a level roughly in line with the fees set in 2012 (in cash terms). While a full comparison is difficult due to the

move in 2017 from fees based on premises numbers to fees based on GGY, the proposed 'market entry' annual fee for the smallest AGC (£1,511) is lower than the 2012 annual fee for the same (£1,523).

Figure 1: annual fee income (cash terms) and GGY of regulated sectors, and what fee income would have been with annual inflation added

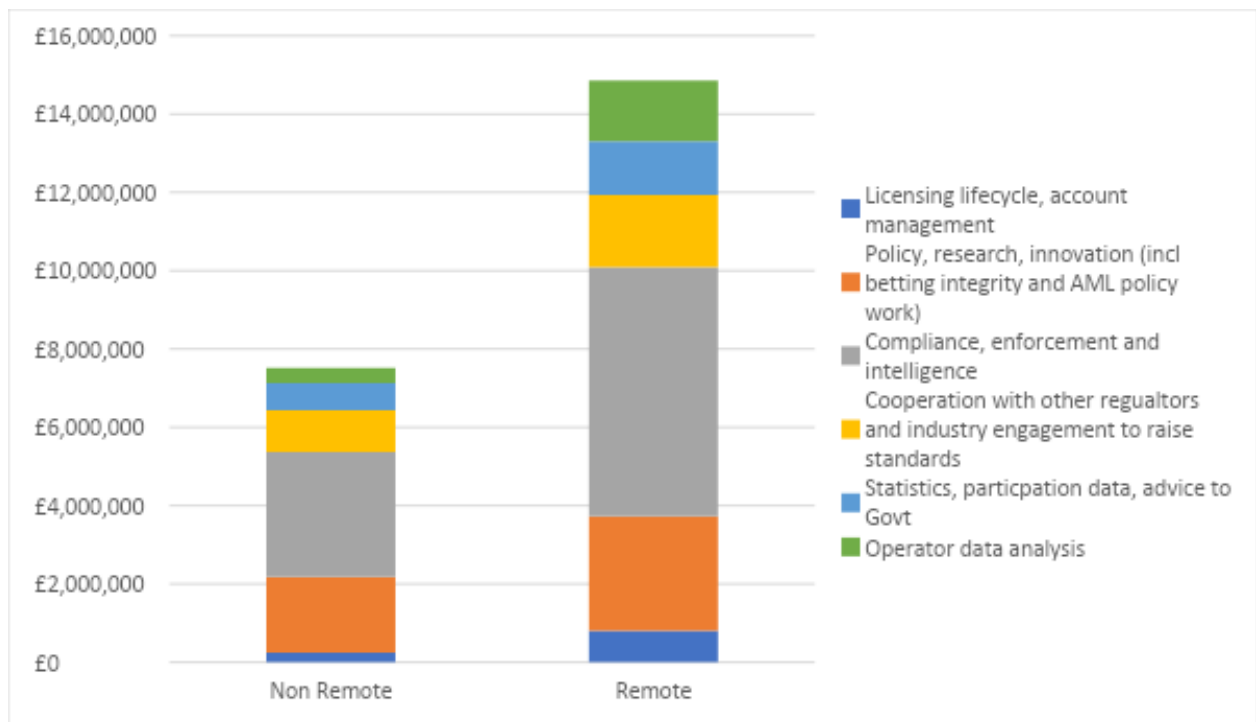


Detail on the proposed investment to meet the challenges

- 1.20 The consultation outlined the three key challenges that are facing the Commission:
- Increased technological developments including product and payment innovation.
 - Changes to the size and shape of the market, particularly consolidation by mergers and acquisitions, and globalisation.
 - Increasing risks associated with unlicensed operators to protect consumers and the industry from 'black market' encroachment.
- 1.21 It explained that the proposed responses to these key challenges are not fixed and will need to evolve over time, and that the estimated additional investment that is required is based on the Commission's current knowledge and represents the costs it forecasts it will incur in the short to medium term. As the Commission's thinking and expertise develops, it will develop its response further.

- 1.22 However, it is clear the Commission needs additional investment now to ensure it has the right skills and expertise to develop and implement solutions to the challenges, and the investment for each challenge would need to focus particularly on the recruitment of specialist staff. This will need to include, for example, staff with technological expertise including an understanding of digital market regulation; staff with the ability to interrogate, analyse and understand complex business structures and financial arrangements (necessary for annual fee-funded compliance and enforcement work, not just at the licence application stage); legal expertise so the Commission is better equipped to respond to the industry's increased willingness to challenge decisions; and more capability and resource to shift to a more proactive stance on preventing illegal gambling.
- 1.23 The Commission also needs to invest in compliance tools such as improved hardware to better interrogate app-based products and deploy innovative software tools (for example web-scraping, bots and avatars) to assess operator compliance more effectively and efficiently.
- 1.24 The Commission's investment strategy will enable it to proceed with the highest priority investments. For example, in meeting the challenges posed by technological innovation, the Commission needs to invest in expertise to obtain, store and analyse data, including improving its collection of participation and prevalence data. In the short term it will therefore employ specialists with a skillset focused on developing the Commission's route to improved data use and modelling. The investment strategy assumes a phased approach to implementation over the next few years, which will align with the Commission's annual strategic and business planning activities.
- 1.25 The graph below shows the Commission's forecast costs split by activity, and split by non-remote and remote sectors, for the year 2023/24.

Figure 2: 2023-24 forecast costs split by activity



1.26 Some of the broad categories of cost in the table above include various subsets of regulatory activity.

- Policy research and innovation
 - Horizon scanning and responding to innovation (including new games and gambling medium/channel)
 - Developing the regulatory framework and testing strategy (including LCCP and technical standards)
 - Consumer policy, protection and consumer research
 - Betting integrity
 - Anti-Money Laundering policy and research work
- Compliance, enforcement and intelligence
 - Proactive and reactive compliance among licensed operators
 - Enforcement activity against licensed and unlicensed operators
 - Intelligence
 - Risk assessment
- Cooperation with other regulators and industry engagement to raise standards
 - Working with other organisations as part of the delivery of the National Strategy to Reduce Gambling Harms
 - Partnership work with other regulators such as local authorities, the Competition and Markets Authority, Advertising Standards Authority, Financial Conduct Authority, overseas gambling regulators
 - Raising standards in the licensed industry through engagement
- Statistics, participation data and advice to government
 - Collection of publication of eg industry statistics, participation and prevalence data

- Work with advisory panels (Advisory Board for Safer Gambling, Digital Advisory Panel, Lived Experience Advisory Panel)
- Operator data
 - The Commission will need more investment in the technology, skills and expertise required to obtain, store, manipulate and analyse data. There are various potential models for how this could work in practice. The fee increases will enable the Commission to invest to explore what is possible, define the outcomes it wants to achieve in this space, and scope potential solutions for getting there. It will also allow it to continue working with the industry to develop a 'single-customer view'.

1.27 A couple of respondents queried why the Commission's forecast costs and income appeared to project that a surplus of income would be generated by 2023/24. Fees are set at the same level for a period of time, and setting fees enables the Commission to be financially sustainable over a number of years. Its expenditure each year will be subject to business planning. It has forecast a continued deficit for 2020-21 and 2021-22, with additional fee income starting to be received from 2021-22. Its future years' projections include outline investment proposals which will be developed further over the coming 12 to 18 months, and it is expected that additional investments may be required, utilising some of its forecast surplus, in order to keep pace with a rapidly changing industry. In addition, the Commission needs to be able to respond flexibly and quickly to new emerging challenges, and ensure it has enough reserves to enable it to do so (for example, to legal challenges and other contingencies including overheads such as accommodation).

Why additional investment on illegal gambling is necessary

1.28 Some respondents from the industry suggested that the Commission's role in preventing illegal gambling should be funded by the Government rather than through licence fees. However, the licensed gambling industry benefits very significantly from the suppression of the black market, as it ensures that consumers gamble with licensed channels rather than with unregulated markets. It therefore remains appropriate for these aspects of the Commission's work to continue to be funded by licence fees.

1.29 The fees consultation set out the challenges posed by illegal gambling and unlicensed operators. Although the Commission has seen a steady increase in the number of reports it receives about potential illegal gambling, there is limited objective evidence of a significant illegal market in Britain at present. The Commission may find, after having investigated a report of alleged illegal gambling, that unlicensed activity is not actually taking place or is not accessible by British consumers.

1.30 However, the Commission nevertheless has to commit effort to triage and investigate the increasing number of reports it is receiving. Where these processes do uncover instances of illegality, such cases are increasingly

exhibiting more concerning characteristics due to higher levels of sophistication among unlicensed businesses, increased targeting of vulnerable people, and/or a greater likelihood of an association with organised crime.

- 1.31 The Commission therefore needs more resources to take a more proactive and systematic approach to identifying the scale of illegal gambling, and to robustly tackle illegal activity, including increased legal capacity for prosecutions.

Consultation question 2: Do you agree with the proposals to increase the additional flat fees for licences that combine remote casino, bingo and/or virtual event betting (RNG licences), and the flat fees for those that combine host licences?

Responses received

- 1.32 Eight respondents provided views on this question. Of these, three supported the proposal, the other five did not.
- 1.33 One respondent felt that while an increase was appropriate, the scale of the increase was too large. One thought that no changes to fees should be introduced at this time, and the other two did not understand the logic behind the increases and suggested that the flat fees should be abolished.

Our response

- 1.34 Fees must be set at a level that enables the Commission to recover the full costs of regulating the gambling market in accordance with its statutory functions. The proposals set out in the consultation reflect the costs to the Commission of regulating these types of remote operator.
- 1.35 The additional flat fees for combinations of RNG licences provide a discount to such operators, particularly larger operators, compared to charging fees individually for each of the casino, bingo and virtual betting licences. The arrangement for charging additional flat fees for such combined licences (in place of individual fees per licence type) was introduced to acknowledge that there is a synergy between casino, bingo and virtual betting products in that they all rely to a large extent on similar game software.
- 1.36 The additional flat fees are however necessary to recover costs not covered by the principal fee (which is based on the total GGY across all RNG licence activities), for example where there are differences in the game mechanics between casino, bingo and virtual betting products and where different or additional types of regulatory activity are necessary (for example casino

operators are subject to money laundering regulations). The Commission frequently receives queries concerning whether a product is gaming or betting, and some of the Commission's remote technical standards will only apply to certain types of RNG product (e.g. in-play betting in respect of virtual sports). In addition, a remote operator's casino customer base may be quite different to its bingo or virtual betting customer base, which can point to different types of risks among its customers. These factors mean it is necessary to charge a fee for the additional regulatory work necessitated by the different types of RNG product.

1.37 As stated in the consultation, these additional flat fees have not increased since 2009 but the Commission's costs of regulation in these areas have increased. For example, given the weaknesses in anti-money laundering controls demonstrated by compliance work among remote casinos in recent years, the Commission needs to devote more effort into understanding the risks to the licensing objectives where operators also offer bingo or virtual betting products alongside casino products on their platforms.

1.38 The government therefore intends to introduce the proposals as set out in the consultation.

Consultation question 3: Do you agree with the proposals to remove the 5% annual fee (and first annual fee) discounts for other types of combined licence, and the 5% annual fee discount where both non-remote and remote licences are held?

Responses received

1.39 Fifteen respondents answered this question. Six supported the proposal and nine did not.

1.40 There was broad support for simplifying the fees structure to enable administration costs to be reduced, however some respondents thought this should be achieved by reducing the number of operating licences overall, not by removing discounts. Some respondents also thought that the reduction in administrative costs achieved by removing discounts would be minimal, and therefore would not justify their removal.

1.41 A number of operators felt that there were still economies of scale for regulating combined operators, and therefore the discounts should be retained. One respondent felt that the discounts should be retained for dual licences, but not for combined licences to reflect the different economies of scale in these two situations.

- 1.42 Some respondents felt that any changes to fees at the moment, particularly for the non-remote sector, were not appropriate given the recent impact of COVID-19 and the upcoming Gambling Act Review.

Our response

- 1.43 As set out in the consultation, the Commission has estimated that the costs it incurs in administering and maintaining the current system of discounts (for example, the effort involved by licensing and finance staff in manually adjusting discounts and fees payable) can create inefficiencies. Removing such discounts will allow it to build in more automation and self-service elements for licensees to calculate otherwise complicated annual fees, allowing future efficiencies to be obtained. Automation will be easier to implement without a discount regime, so we expect the Commission to be able to make future savings if discounts are removed.
- 1.44 In addition, a large proportion of the Commission's work is thematic or cross-sector (for example, its policy, research and horizon scanning work), and here there are relatively few efficiencies available to the Commission in terms of regulating an operator with a combined licence for multiple activities, compared to regulating separate entities licensed individually for each of those activities.
- 1.45 The fees structure provides for a large number of different types of operating licences, which also causes complexity, but this variety of licences also provides greater fairness for operators by ensuring that different sized operators and different types of business pay different and proportionate levels of fees. More fundamental changes to the way fees are set will be considered as part of the Review of the Gambling Act.
- 1.46 We therefore intend to proceed with removing these discounts as proposed, from October 2021.

Consultation question 4: Do you agree with the proposals to introduce additional fee categories for society lotteries and External Lottery Managers (ELMs) that generate (or manage) greater than £10m proceeds per annum?

Responses received

- 1.47 Seven respondents answered this question. Five supported the proposals and two did not. The two respondents that did not support the proposals in full both agreed that there was a need for additional fee bands for larger operators but did not agree with the scale of the fees proposed.
- 1.48 One respondent said that there should be no fee increases for lottery operators as it takes money away from good causes.

- 1.49 One trade body suggested that the scope of the remote ancillary operating licence for society lotteries should be increased i.e. that societies should be able to generate more than £250,000 proceeds per annum by remote means in reliance on the ancillary licence.

Our response

- 1.50 The 2005 Gambling Act requires society lotteries to be licensed and regulated as a gambling activity, and fees must be set at a level that enables the Commission to recover the full costs of regulating different types and classes of licensee in accordance with its statutory functions. We have set out in response to question 1 that the costs of regulation, including those for lotteries, have increased.
- 1.51 The fee increases of 15% proposed for the lottery sectors are principally to cover the Commission's rising costs of just maintaining a steady state in respect of its activity levels. The Commission expects to continue to conduct work in respect of large society lotteries, hospice lotteries and ELMs in a number of areas where its costs of delivering such work have been rising. These include, for example:
- Analysing the impact of, and monitoring compliance with, recent changes to the Commission's Licence Conditions and Codes of Practice (LCCP) in respect of lotteries. For example, the new codes of practice on transparency to consumers have led to compliance assessments among larger societies, hospice lotteries and ELMs.
 - Analysis of lottery sector and consumer participation trends, including work to analyse both the impact of the changes to statutory proceeds and prize limits and the impact of COVID-19 on the sector (eg developments in lottery operators' marketing strategies).
 - Continuing work to prevent illegal lotteries entering the market, including associated enforcement activity (which, as described previously, should continue to be funded by licensed operators' fees).
 - Supporting lottery licensees to secure compliance including responding to complex queries.
 - Co-regulation engagement with, and advice to, other regulatory bodies (e.g. local authorities, Advertising Standards Agency, HMRC) as part of compliance and enforcement work (including, for example, providing advice to regulatory bodies on the boundaries between licensed and unlicensed lotteries).
- 1.52 To put the proposed changes into context, there have been no annual fee increases for society lotteries in fee categories A, B, F or G since 2007, and no annual fee increases for society lottery licences at categories C or H since 2009. The proposed annual fees for society lotteries are below the level they would be if inflation-only increases had been applied to annual fees in each of the years since.

- 1.53 The proposed additional fee categories will still enable larger society lotteries trading under a common brand to rationalise their operating licences, reduce their administrative costs and return a higher proportion of returns to good causes, as was the aim of the increased sales and prize limits implemented in 2020, whilst also enabling the Commission to continue to recover its regulatory costs.
- 1.54 We therefore intend to introduce these higher bands and the fee levels proposed in the consultation document.
- 1.55 We do not intend to increase the level of annual proceeds that a society lottery can generate by remote means in reliance on an ancillary licence, currently capped at £250,000. A non-remote society lottery can hold an ancillary licence instead of a remote lottery licence to generate this value of annual proceeds by remote means, and the operator would pay £50 annual fees for the ancillary licence rather than the proposed £796 for a remote lottery licence at fee category G1.
- 1.56 However, if a society was able to generate more than £250,000 per annum without holding a remote licence, the Commission would no longer be able to recover its regulatory costs from a remote lottery of that size. The annual fee for a lottery ancillary licence will remain at £50 under the proposals, continuing to allow non-remote societies to generate up to £250,000 proceeds per annum by remote means. This fee remains unchanged since the lottery ancillary licence was introduced in 2012.

Consultation question 5: Do you agree with the proposal to increase application fees to better reflect the costs involved in processing applications?

- 1.57 We had eighteen responses to this question: three fully supported the proposals, two supported them but requested more information on the costs behind them and one supported the proposals except for one type of licence variation. Twelve respondents did not support the proposals.
- 1.58 A number of those respondents felt that increases in application fees would dissuade new entrants to the market. Some thought the increases were too high in the current economic climate and that not enough detail had been provided on how application fees are used. Some respondents thought that application fee increases should be different for different sectors or for specific types of application or variation.

- 1.59 Some respondents felt that any change to fees at the moment, particularly for the non-remote sector, were not appropriate given the recent impact of COVID-19 and the upcoming Gambling Review.

Our response

- 1.60 The Commission's fees must be set at a level that enables it to recover the full costs of regulating the gambling market in accordance with its statutory functions. The cost of assessing licence applications, including variations and changes of corporate control, have increased over the years. For most licence types, there has been no increase to application fees since 2008.
- 1.61 The costs of processing applications are variable, but such costs are driven by factors other than the sector of the gambling industry the application relates to. It is difficult to assess in advance of reviewing an application how costly it will be to process, and the Gambling Act only allows the Commission to charge application fees, for a prescribed amount per licence type and fee category, alongside the submission of the application. This will be something that is considered as part of the Gambling Act Review, but in the short term we need to ensure that the Commission is able to cover the cost of assessing and processing the applications it receives.
- 1.62 Without an increase to application fees the Commission would expect to receive £900,000 from application fee income in 2021-22 and expects its costs to be around £1.5m.
- 1.63 As well as costs increasing due to inflationary pressures, applications have typically become more complex, which has required the Commission to increase its focus on the suitability of applicants to hold a licence (or to continue to hold one). The increased complexity in both non-remote and remote applications (and in variations and changes of corporate control) tends to be driven by the provision of novel gambling products or concepts, complex governance or funding arrangements, and complex ownership structures of the applicant, which means that it is costing more to assess applications. This can necessitate, for example, detailed investigation of the sources of an applicant's funds and additional checks and advice from specialists such as forensic accounts, legal representations and sector specialists.
- 1.64 The Commission is also receiving more applications, from both remote and the non-remote sectors, where only limited details have been provided by the applicant, meaning that the Commission has to expend more time and effort acquiring sufficient materials from the applicant for it to assess the application for suitability against the licensing objectives.
- 1.65 Representatives from the lottery and on-course bookmaker sectors felt that applications from their sectors were simpler and should therefore not be subject to the same proportion of fee increases as other sectors. However, it

is not the case that applications from these sectors are routinely easier to process than for other sectors. Operators in these sectors have had conditions attached to their licences (an indicator that the application was complex to process) and often require significant attention from the Commission's licensing team to ensure that there is enough data on which to assess the application.

- 1.66 Two respondents suggested that the variation fee to reduce a fee category should be held at £25 rather than increased to £40 as proposed. They argued that it was unfair to charge operators more if they are varying down to a lower licence band as their projected GGY has decreased, and one felt that the costs of processing a very simple application could not have increased by 60%. As noted above, however, the costs of processing all types of application have increased, and it remains necessary for the Commission to undertake some work to reduce the fee category of a licence because the condition attached to the licence (pertaining to the fee category) has to be amended and a new licence produced. The basic costs of even relatively administrative applications have increased, and therefore it is necessary to increase the fees for all types of application. Prior to 2017, the fees for applications to reduce fee category were charged at 25% of the usual application fee for the relevant licence type and fee category, and they were reduced to £25 in 2017. A small increase to that fee is now appropriate for the Commission to ensure cost recovery.

Chapter 2: other responses not covered by specific consultation questions

- 1.67 This section addresses a number of comments and questions that were raised by respondents outside of the main consultation questions. They are summarised as follows:
- One respondent stated that the structure of fee categories penalises smaller operators in favour of larger, so the broad structure should be changed.
 - One trade body for on-course bookmakers suggested that there should be a greater number of fee bands for general betting (limited) operators and that it was difficult to estimate the 'number of working days' (the unit of division for the fee categories for this type of licence) a bookmaker would work on tracks.
- 1.68 We have also identified that a small amendment needs to be made to the fees regulations to ensure they are consistent with the provisions of the UK General Data Protection Regulation (GDPR). This is described in further detail below.

Our response

Fee categories for smaller operators

- 1.69 In 2017 we acknowledged previous disproportionality in the Commission's cost recovery from smaller operators by splitting up many of the fee categories into smaller bands, with lower fees payable by the smallest operators. The Commission incurs fixed costs associated with regulating the smallest operators and it is seeing pressures on its costs from all sizes of remote operator, not just the largest ones. There is therefore no scope to re-band the smallest fee categories even further. Even with the proposed fee increases, the smallest remote betting (real event) operators will be paying less in annual fees than they were before 2017.
- 1.70 It is not possible to change the fees structure to accommodate any lower fees for smaller general betting (limited) businesses, as the proposed £230 annual fee for on-course bookmakers that work 75 days or fewer (the smallest fee category for such operators) represents the lowest possible fee that enables the Commission to recover its regulatory costs from such licensees. We also note here that, prior to this fees review and the proposed 15% increases for such licences, the annual fees for general betting (limited) fee categories A and B have been held at £200 and £467 respectively since 2007.
- 1.71 We note that trade bodies for this sector had previously expressed a desire, as part of the 2016/17 fees review, to keep the 'unit of division' for the general betting (limited) licence as 'number of working days' due to the simplicity of

this system for small enterprises, as this would be more cost effective and simpler than a move to GGY-based fee bands. We do not think it is viable to introduce more fee bands for these operators as the annual fees proposed for on-course bookmakers represent a proportionate recovery of the Commission's regulatory costs relative to the size of such bookmakers' businesses.

UK GDPR

- 1.72 We will make a minor change to fees regulations to ensure they are consistent with the provisions of the UK GDPR and the Information Commissioner's Office's guidance. UK GDPR requires that individuals have the right to have inaccurate personal data rectified where that data is held by an organisation, and that, in most cases, organisations cannot charge a fee to rectify such data. This means that, in very particular circumstances, the Commission should not charge a fee to vary a licence to amend or update personal data that relates to an individual. This is most likely to apply when an operator is an individual (a sole trader) or is a general partnership of named individuals, where the operator applies to change the head office address on their licence, and where that address is also the residential address of the sole trader or one or more of the partners (i.e. the address represents personal data).
- 1.73 The Commission will need to consider relevant applications on a case-by-case basis, but provision will be made in the fees regulations to ensure that relevant licensees are not charged a fee to vary their licence where specific circumstances qualify in respect of rectifying personal data.

Chapter 3 – conclusions and next steps

- 1.74 The government intends to proceed with implementing all of the proposals as outlined in the consultation document. The proposals were to:
- Increase annual fees for remote operating licences by 55% on 1 October 2021;
 - Increase all application fees by 60% from 1 October 2021;
 - make other changes to simplify the fees system, including removing annual fee discounts for combined and multiple licences, on 1 October 2021; and
 - increase annual fees for non-remote operating licences by 15%, with implementation of these increases delayed until 1 April 2022.
- 1.75 In addition, we will make two minor amendments to fees regulations:
- to ensure fees regulations are consistent with UK GDPR, provision will be made for no variation fee to be charged in certain circumstances described in the previous chapter.
 - the consultation announced the intention to increase the fees for all licence applications by 60%, but did not explicitly include the fee for an application for a Single Machine Permit in this. In line with the increase to other application fees, we will also increase this fee to £40 from the current £25 to ensure that the Commission recovers its costs in processing these applications. The Gambling Act allows the Commission to issue a permit to an individual to allow them to supply or maintain one gaming machine without having to hold an operating licence (this does not permit commercial supply of machine gaming, and would apply to for example individuals who collect gaming machines). The current fee of £25 has been set since 2007, but the Commission receives around fifty such applications per annum and the basic costs of recording and processing such applications have increased.
- 1.76 The consultation set out the percentages by which fees of each type will be increased, and these percentage increases will be implemented as proposed. In the fees tables appended to the consultation, a proportion of fees unfortunately contained typographical errors, and these have been corrected in the tables annexed to this response. However, no operators currently fall into the fee bands which were affected by these errors. Where an amount has been corrected, the fee appears in red.
- 1.77 Changes to licence fees will be implemented through secondary legislation. As proposed in the consultation, the changes will come into effect on the following dates:
- increases to annual fees for remote operating licences on 1 October 2021

- increases to all licence application and variation fees on 1 October 2021
- the removal of annual fee discounts for combined and multiple licences on 1 October 2021
- increases to annual fees for non-remote operating licences on 1 April 2022.

1.78 The new application and annual fees for each type of operating licence and fee category are summarised in the tables below.

Annual Fees

Remote casino, bingo and virtual event betting licences

	Category	F1	G1	G2	H1	I1	J1	K1	L1	M1
Casino	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	£1bn or greater
	Current Annual Fee	£2,709	£6,488	£9,480	£13,307	£35,541	£68,146	£136,455	£387,083	£512,083 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
	Proposed Annual Fee	£4,199	£10,056	£14,694	£20,626	£55,089	£105,626	£211,505	£599,979	£793,729 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
Bingo	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	£1bn or greater
	Current Annual Fee	£2,709	£6,488	£9,480	£13,307	£35,541	£68,146	£136,455	£387,083	£512,083 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
	Proposed Annual Fee	£4,199	£10,056	£14,694	£20,626	£55,089	£105,626	£211,505	£599,979	£793,729 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
General Betting Standard (Virtual Events)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	£1bn or greater
	Current Annual Fee	£2,709	£6,488	£9,480	£13,307	£35,541	£68,146	£136,455	£387,083	£512,083 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion

	Proposed Annual Fee	£4,199	£10,056	£14,694	£20,626	£55,089	£105,626	£211,505	£599,979	£793,729 plus £125,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
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The flat additional annual fee of £2,500 payable for a licence that combines two of remote casino, bingo and virtual event betting will increase to £5,000. The flat additional annual fee payable for a licence that combines all three activities will increase from £5,000 to £10,000.

Remote casino (game host), bingo (game host) and virtual event betting (host) licences

	Category	F1	G1	G2	H1	I1	J1	K1	L1	M1
Game host (casino)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	£1bn or greater
	Current Annual Fee	£2,027	£4,855	£7,094	£9,958	£26,595	£50,993	£102,108	£289,652	£389,652 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
	Proposed Annual Fee	£3,142	£7,525	£10,996	£15,435	£41,222	£79,039	£158,267	£448,961	£603,961 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
Game host (bingo)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	£1bn or greater
	Current Annual Fee	£2,027	£4,855	£7,094	£9,958	£26,595	£50,993	£102,108	£289,652	£389,652 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion

	<i>Proposed Annual Fee</i>	£3,142	£7,525	£10,996	£15,435	£41,222	£79,039	£158,267	£448,961	<i>£603,961 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>
<i>Betting Host (virtual events only)</i>	<i>GGY</i>	<i>Less than £550,000</i>	<i>£550,000 to £2m</i>	<i>£2m to £5.5m</i>	<i>£5.5m to £25m</i>	<i>£25m to £100m</i>	<i>£100m to £250m</i>	<i>£250m to £550m</i>	<i>£550 to £1bn</i>	<i>£1bn or greater</i>
	<i>Current Annual Fee</i>	<i>£2,027</i>	<i>£4,855</i>	<i>£7,094</i>	<i>£9,958</i>	<i>£26,595</i>	<i>£50,993</i>	<i>£102,108</i>	<i>£289,652</i>	<i>£389,652 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>
	<i>Proposed Annual Fee</i>	<i>£3,142</i>	<i>£7,525</i>	<i>£10,996</i>	<i>£15,435</i>	<i>£41,222</i>	<i>£79,039</i>	<i>£158,267</i>	<i>£448,961</i>	<i>£603,961 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>

The flat additional annual fee of £1,875 payable for a licence that combines two of these host activities will increase to £3,750. The flat additional annual fee payable for a licence that combines all three activities will increase from £3,750 to £7,500.

Remote betting licences (real event betting, betting intermediaries and trading rooms, pool betting, real event betting (host only) and remote betting only by telephone or email)

	Category	F1	F2	F3	G1	G2	H1	I1	J1	K1	L1
<i>General Betting Standard</i>	<i>GGY</i>	<i>Less than £550,000</i>	<i>£550,000 to £2m</i>	<i>£2m to £5.5m</i>	<i>£5.5m to £15m</i>	<i>£15m to £55m</i>	<i>£55m to £110m</i>	<i>£110 to £220m</i>	<i>£220m to £550m</i>	<i>£550m to £1bn</i>	<i>£1bn or greater</i>

<i>(Real Events)</i>	<i>Current Annual Fee</i>	£3,408	£8,666	£10,023	£33,119	£46,687	£75,227	£137,453	£281,058	£494,856	£694,856 plus £200,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
	<i>Proposed Annual Fee</i>	£5,282	£13,432	£15,536	£51,334	£72,365	£116,602	£213,052	£435,640	£767,027	£1,077,027 plus £200,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
<i>Betting Host (real events only)</i>	<i>GGY</i>	<i>Less than £550,000</i>	<i>£550,000 to £2m</i>	<i>£2m to £5.5m</i>	<i>£5.5m to £15m</i>	<i>£15m to £55m</i>	<i>£55m to £110m</i>	<i>£110 to £220m</i>	<i>£220m to £550m</i>	<i>£550m to £1bn</i>	<i>£1bn or greater</i>
	<i>Current Annual Fee</i>	£2,556	£6,500	£7,517	£24,839	£35,015	£56,420	£103,090	£210,794	£371,142	£471,142 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
	<i>Proposed Annual Fee</i>	£3,962	£10,074	£11,652	£38,501	£54,274	£87,451	£159,789	£326,730	£575,270	£730,270 plus £100,000 for each complete additional £500 million of annual gross gambling yield above £1 billion
<i>General Betting Standard (Remote Platform)</i>	<i>Category</i>	F1									
	<i>Current Annual Fee</i>	£280									
	<i>Proposed Annual Fee</i>	£434									
<i>General Betting</i>	<i>Category</i>	F1									

<i>Limited (telephone and email only)</i>	<i>GGY</i>	<i>Less than £550,000</i>
	<i>Current Annual Fee</i>	<i>£1,462</i>
	<i>Proposed Annual Fee</i>	<i>£2,266</i>

<i>Pool Betting</i>	Category	F1	G1	G2	H1	H2	I1	J1	K1	L1	M1
	<i>GGY</i>	<i>Less than £1.5m</i>	<i>£1.5m to £3m</i>	<i>£3m to £7.5m</i>	<i>£7.5m to £15m</i>	<i>£15m to £55m</i>	<i>£55m to £110m</i>	<i>£110m to £220m</i>	<i>£220m to £550m</i>	<i>£550m to £1bn</i>	<i>£1bn or greater</i>
	<i>Current Annual Fee</i>	<i>£1,552</i>	<i>£10,357</i>	<i>£12,293</i>	<i>£22,436</i>	<i>£37,766</i>	<i>£58,252</i>	<i>£106,504</i>	<i>£248,509</i>	<i>£435,698</i>	<i>£585,698 plus £150,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>
	<i>Proposed Annual Fee</i>	<i>£2,406</i>	<i>£16,053</i>	<i>£19,054</i>	<i>£34,776</i>	<i>£58,537</i>	<i>£90,291</i>	<i>£165,081</i>	<i>£385,189</i>	<i>£675,332</i>	<i>£907,832 plus £150,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>
<i>Betting Intermediar</i>	Category	F1	F2	F3	G1	G2	H1	I1	J1	K1	L1

y	GGY	<i>Less than £550,000</i>	<i>£550,000 to £2m</i>	<i>£2m to £5.5m</i>	<i>£5.5m to £15m</i>	<i>£15m to £55m</i>	<i>£55m to £110m</i>	<i>£110 to £220m</i>	<i>£220m to £550m</i>	<i>£550m to £1bn</i>	<i>£1bn or greater</i>
	<i>Current Annual Fee</i>	£3,408	£8,666	£10,023	£33,119	£46,687	£75,227	£137,453	£281,058	£494,856	<i>£694,856 plus £200,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>
	<i>Proposed Annual Fee</i>	£5,282	£13,432	£15,536	£51,334	£72,365	£116,602	£213,052	£435,640	£767,027	<i>£1,077,027 plus £200,000 for each complete additional £500 million of annual gross gambling yield above £1 billion</i>

<i>Betting Intermediary (trading rooms only)</i>	<i>Category</i>	F1	G1	H1
	GGY	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m or greater</i>
	<i>Current Annual Fee</i>	£1,594	£6,765	£19,063
	<i>Proposed Annual Fee</i>	£2,471	£10,486	£29,548

All gambling software licences

Gambling Software	Category	A1	B1	C1	D1	E1
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	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Current Annual Fee</i>	£1,528	£3,876	£6,351	£14,703	£24,057
	<i>Proposed Annual Fee</i>	£2,368	£6,008	£9,844	£22,790	£37,288
<i>Gambling Software</i>	Category	F1	F2	G1	H1	H2
	<i>Gross Value of Sales</i>	<i>Less than £200,000</i>	<i>£200,000 to £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £30m</i>	<i>£30m or greater</i>
	<i>Current Annual Fee</i>	£3,748	£5,798	£17,803	£28,867	£49,219
	<i>Proposed Annual Fee</i>	£5,809	£8,987	£27,595	£44,744	£76,289

All society lottery and external lottery manager licences

<i>Society Lotteries</i>	Category	A1	B1	C1	D1	E1	E2
	<i>Annual Proceeds</i>	<i>Less than £100,000</i>	<i>£100,000 to £500,000</i>	<i>£500,000 to £10m</i>	<i>£10m to £20m</i>	<i>£20m to £30m</i>	<i>£30m to £50m</i>
	<i>Current Annual Fee</i>	£348	£692	£1,458	N/A	N/A	N/A

	<i>Proposed Annual Fee</i>	£400	£796	£1,677	£3,350	£5,025	£8,350	
Society Lotteries	Category	F1	G1	H1	I1	J1	K1	
	<i>Annual Proceeds</i>	<i>Less than £100,000</i>	<i>£100,000 to £500,000</i>	<i>£500,000 to £10m</i>	<i>£10m to £20m</i>	<i>£20m to £30m</i>	<i>£30m to £50m</i>	
	<i>Current Annual Fee</i>	£348	£692	£1,458	N/A	N/A	N/A	
	<i>Proposed Annual Fee</i>	£400	£796	£1,677	£3,350	£5,025	£8,350	
ELM	Category	A1	B1	C1	D1	E1	E2	E3
	<i>Annual Proceeds</i>	<i>Less than £550,000</i>	<i>£550,000 to £2.5m</i>	<i>£2.5m to £5.5m</i>	<i>£5.5m to £10m</i>	<i>£10m to £17.5m</i>	<i>£17.5m to £35m</i>	<i>£35m or greater</i>
	<i>Current Annual Fee</i>	£2,075	£2,368	£4,044	£6,675	£15,813	N/A	N/A
	<i>Proposed Annual Fee</i>	£2,386	£2,723	£4,651	£7,676	£18,185	£26,028	£35,100
ELM	Category	F1	G1	H1	I1	J1	K1	L1
	<i>Annual Proceeds</i>	<i>Less than £550,000</i>	<i>£550,000 to £2.5m</i>	<i>£2.5m to £5.5m</i>	<i>£5.5m to £10m</i>	<i>£10m to £17.5m</i>	<i>£17.5m to £35m</i>	<i>£35m or greater</i>
	<i>Current Annual Fee</i>	£6,765	£19,063	£24,372	£37,006	£48,893	N/A	N/A

	<i>Proposed Annual Fee</i>	£7,780	£21,922	£28,028	£42,557	£56,227	£67,250	£78,850
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All gaming machine technical licences

<i>Gaming Machine Technical Full</i>	Category	A1	B1	C1	D1	E1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Current Annual Fee</i>	£2,722	£5,152	£14,039	£25,927	£39,239
	<i>Proposed Annual Fee</i>	£3,130	£5,925	£16,145	£29,816	£45,125
<i>Gaming Machine Technical Full</i>	Category	F1	G1	H1	H2	
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £30m</i>	<i>£30m or greater</i>	
	<i>Current Annual Fee</i>	£6,426	£18,866	£34,295	£53,587	
	<i>Proposed Annual Fee</i>	£7,390	£21,696	£39,439	£61,625	
<i>Gaming Machine</i>	Category	A1	B1	C1	D1	E1

<i>Technical Software</i>	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Current Annual Fee</i>	<i>£1,528</i>	<i>£3,876</i>	<i>£6,351</i>	<i>£14,703</i>	<i>£24,057</i>
	<i>Proposed Annual Fee</i>	<i>£1,757</i>	<i>£4,457</i>	<i>£7,304</i>	<i>£16,908</i>	<i>£27,666</i>
<i>Gaming Machine Technical Software</i>	Category	F1	F2	G1	H1	H2
	<i>Gross Value of Sales</i>	<i>Less than £200,000</i>	<i>£200,000 to £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £30m</i>	<i>£30m or greater</i>
	<i>Current Annual Fee</i>	<i>£3,748</i>	<i>£5,798</i>	<i>£17,803</i>	<i>£28,867</i>	<i>£49,219</i>
	<i>Proposed Annual Fee</i>	<i>£4,310</i>	<i>£6,668</i>	<i>£20,473</i>	<i>£33,197</i>	<i>£56,602</i>
<i>Gaming Machine Technical Supplier</i>	Category	A1	B1	C1	D1	E1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Current Annual Fee</i>	<i>£1,186</i>	<i>£3,034</i>	<i>£4,406</i>	<i>£9,507</i>	<i>£15,554</i>
	<i>Proposed Annual Fee</i>	<i>£1,364</i>	<i>£3,489</i>	<i>£5,067</i>	<i>£10,933</i>	<i>£17,887</i>

<i>Gaming Machine Technical Supplier</i>	Category	F1	G1	H1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m or greater</i>
	<i>Current Annual Fee</i>	<i>£5,360</i>	<i>£16,801</i>	<i>£28,449</i>
	<i>Proposed Annual Fee</i>	<i>£6,164</i>	<i>£19,321</i>	<i>£32,716</i>

All other non-remote licences (including non-remote casino (1968 Act), casino 2005 Act), general betting (standard), general betting (limited), pool betting, bingo, adult gaming centre and family entertainment centre

Casino 2005	Category	A1	B1	C1	D1	E1	E2	E3										
	GGY	Less than £5.5m	£5.5m to £27.5m	£27.5m to £110m	£110m to £200m	£200m to £300m	£300m to £400m	£400m or greater										
	Current Annual Fee	£21,714	£34,440	£105,110	£194,256	£352,026	£452,837	£572,837 plus £120,000 for each complete additional £150 million of annual gross gambling yield above £400 million										
	Proposed Annual Fee	£24,971	£39,606	£120,877	£223,394	£404,830	£520,763	£658,763 plus £120,000 for each complete additional £150 million of annual gross gambling yield above £400 million										
Casino 1968	Category	A1	B1	C1	D1	E1	E2	E3										
	GGY	Less than £5.5m	£5.5m to £27.5m	£27.5m to £110m	£110m to £200m	£200m to £300m	£300m to £400m	£400m or greater										
	Current Annual Fee	£16,714	£22,440	£71,943	£167,256	£324,704	£400,586	£500,586 plus £100,000 for each complete additional £150m of GGY above £400m GGY										
	Proposed Annual Fee	£19,221	£25,806	£82,734	£192,344	£373,410	£460,674	£575,674 plus £100,000 for each complete additional £150 million of GGY above £400 million										
General Betting	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4	E5	E6	E7	E8	E9

Standard	GGY	<i>Less than £200,000</i>	<i>£200,000 to £750,000</i>	<i>£750,000 to £1.25m</i>	<i>£1.25m to £2m</i>	<i>£2m to £4m</i>	<i>£4m to £7.5m</i>	<i>£7.5m to £14m</i>	<i>£14m to £30m</i>	<i>£30m to £125m</i>	<i>£125m to £325m</i>	<i>£325m to £550m</i>	<i>£550m to £750m</i>	<i>£750m to £1bn</i>	<i>£1bn to £1.25bn</i>	<i>£1.25bn to £1.5bn</i>	<i>£1.5bn to £1.75bn</i>	<i>£1.75bn or greater</i>
	Current Annual Fee	£1,324	£1,477	£2,498	£3,637	£4,300	£5,422	£12,758	£30,200	£46,633	£106,873	£193,573	£280,308	£372,145	£474,187	£576,228	£678,270	£778,270 plus £100,000 for each complete additional £250 million of annual gross gambling yield above £1.75 billion
	Proposed Annual Fee	£1,523	£1,699	£2,873	£4,183	£4,945	£6,235	£14,672	£34,730	£53,628	£122,904	£222,609	£322,354	£427,967	£545,315	£662,662	£780,011	£895,011 plus £100,000 for each complete additional £250 million of annual gross gambling yield above £1.75 billion

General Betting Standard (No Gaming Machines)	Category	A1	A2	A3	B1	B2	B3	C1
	GGY	<i>Less than £200,000</i>	<i>£200,000 to £750,000</i>	<i>£750,000 to £1.25m</i>	<i>£1.25m to £2m</i>	<i>£2m to £4m</i>	<i>£4m to £7.5m</i>	<i>£7.5m to £14m</i>
	Current Annual Fee	£1,224	£1,377	£2,398	£3,537	£4,200	£5,322	£12,658
	Proposed Annual Fee	£1,408	£1,584	£2,758	£4,068	£4,830	£6,120	£14,557

General Betting Limited	Category	A1	B1	C1
	Number of Days	1 to 75	76 to 199	200 to] 365
	Current Annual Fee	£200	£467	£1,346

	<i>Proposed Annual Fee</i>	£230	£537	£1,548									
<i>Pool Betting</i>	Category	A1	B1	C1	D1	E1							
	<i>GGY</i>	<i>Less than £550,000</i>	<i>£550,000 to £2.5m</i>	<i>£2.50m to £5.5m</i>	<i>£5.5m to £10m</i>	<i>£10m or greater</i>							
	<i>Current Annual Fee</i>	£1,910	£2,633	£4,106	£6,265	£13,054							
	<i>Proposed Annual Fee</i>	£2,197	£3,028	£4,722	£7,205	£15,012							
<i>Bingo</i>	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4
	<i>GGY</i>	<i>Less than £200,000</i>	<i>£200,000 to £750,000</i>	<i>£750,000 to £1.25m</i>	<i>£1.25m to £2m</i>	<i>£2m to £4m</i>	<i>£4m to £7.5m</i>	<i>£7.5m to £14m</i>	<i>£14m to £30m</i>	<i>£30m to £125m</i>	<i>£125m to £225m</i>	<i>£225m to £325m</i>	<i>£325m or greater</i>
	<i>Current Annual Fee</i>	£1,322	£1,378	£2,050	£3,055	£3,297	£3,708	£10,464	£23,395	£41,080	£61,252	£76,327	<i>£106,327 plus £30,000 for each complete additional £200 million of annual gross gambling yield above £325 million</i>
	<i>Proposed Annual Fee</i>	£1,520	£1,585	£2,358	£3,513	£3,792	£4,264	£12,034	£26,904	£47,242	£70,440	£87,776	<i>£122,276 plus £30,000 for each complete additional £200 million of annual gross gambling yield above £325 million</i>
<i>AGC</i>	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4
	<i>GGY</i>	<i>Less than £200,000</i>	<i>£200,000 to £750,000</i>	<i>£750,000 to £1.25m</i>	<i>£1.25m to £2m</i>	<i>£2m to £4m</i>	<i>£4m to £7.5m</i>	<i>£7.5m to £14m</i>	<i>£14m to £30m</i>	<i>£30m to £125m</i>	<i>£125m to £225m</i>	<i>£225m to £325m</i>	<i>£325m or greater</i>

	<i>Current Annual Fee</i>	£1,314	£1,370	£2,000	£3,030	£3,247	£3,658	£10,314	£23,095	£40,080	£60,252	£75,327	£100,327 plus £25,000 for each complete additional £200 million of annual gross gambling yield above £325 million
	<i>Proposed Annual Fee</i>	£1,511	£1,576	£2,300	£3,485	£3,734	£4,207	£11,861	£26,559	£46,092	£69,290	£86,626	£115,376 plus £25,000 for each complete additional £200 million of annual gross gambling yield above £325 million

FEC	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1
	GGY	Less than £200,000	£200,000 to £750,000	£750,000 to £1.25m	£1.25m to £2m	£2m to £4m	£4m to £7.5m	£7.5m to £14m	£14m to £30m	£30m or greater
	<i>Current Annual Fee</i>	£1,000	£1,020	£1,675	£2,680	£2,922	£3,333	£9,770	£19,193	£36,383
	<i>Proposed Annual Fee</i>	£1,150	£1,173	£1,926	£3,082	£3,360	£3,833	£11,236	£22,072	£41,840

Betting Intermediary	Category	A1	B1	C1
	GGY	Less than £5.5m	£5.5m to £110m	£110m or greater
	<i>Current Annual Fee</i>	£280	£4,277	£4,338
	<i>Proposed Annual Fee</i>	£322	£4,919	£4,989

Application Fees

NON-REMOTE

Casino 2005	Category	A1	B1	C1	D1	E1	E2	E3										
	GGY	Less than £5.5m	£5.5m to £27.5m	£27.5m to £110m	£110m to £200m	£200m to £300m	£300m to £400m	£33,832 application fee for any GGY above £400m										
	Application Fee	£25,777	£25,777	£33,832	£33,832	£33,832	£33,832											
Proposed Application Fee	£41,243	£41,243	£54,131	£54,131	£54,131	£54,131	£54,131	£54,131										
Casino 1968	Category	A1	B2	C1	D1	E1	E2	E3										
	GGY	Less than £5.5m	£5.5m to £27.5m	£27.5m to £110m	£110m to £200m	£200m to £300m	£300m to £400m	£17,575 application fee for any GGY above £400m										
	Application Fee	£5,858	£8,706	£17,575	£17,575	£17,575	£17,575											
Proposed Application Fee	£9,373	£13,930	£28,120	£28,120	£28,120	£28,120	£28,120	£28,120										
General Betting Standard	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4	E5	E6	E7	E8	E9
	GGY	Less than £200,000	£200,000 to £750,000	£750,000 to £1.25m	£1.25m to £2m	£2m to £4m	£4m to £7.5m	£7.5m to £14m	£14m to £30m	£30m to £125m	£125m to £325m	£325m to £550m	£550m to £750m	£750m to £1bn	£1bn to £1.25bn	£1.25bn to £1.5bn	£1.5bn to £1.75bn	£36,029 application fee for any GGY above £1.75bn

	Application Fee	£879	£879	£879	£879	£879	£879	£3,075	£15,378	£17,178	£19,878	£27,929	£36,029	£36,029	£36,029	£36,029	£36,029	
	Proposed Application Fee	£1,406	£1,406	£1,406	£1,406	£1,406	£1,406	£4,920	£24,605	£27,485	£31,805	£44,686	£57,646	£57,646	£57,646	£57,646	£57,646	£57,646
General Betting Standard (No Gaming Machines)	Category	A1	A2	A3	B1	B2	B3	C1										
	GGY	Less than £200,000	£200,000 to £750,000	£750,000 to £1.25m	£1.25m to £2m	£2m to £4m	£4m to £7.5m	£7.5m to £14m										
	Application Fee	£879	£879	£879	£879	£879	£879	£3,075										
	Proposed Application Fee	£1,406	£1,406	£1,406	£1,406	£1,406	£1,406	£4,920										
Bingo	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4					
	GGY	Less than £200,000	£200,000 to £750,000	£750,000 to £1.25m	£1.25m to £2m	£2m to £4m	£4m to £7.5m	£7.5m to £14m	£14m to £30m	£30m to £125m	£125m to £225m	£225m to £325m	£18,454 application fee for any GGY above £325m					
	Application Fee	£879	£879	£1,464	£1,464	£1,464	£1,464	£2,930	£15,378	£18,454	£18,454	£18,454						
	Proposed Application Fee	£1,406	£1,406	£2,342	£2,342	£2,342	£2,342	£4,688	£24,605	£29,526	£29,526	£29,526	£29,526					
AGC	Category	A1	A2	A3	B1	B2	B3	C1	D1	E1	E2	E3	E4					
	GGY	Less than £200,000	£200,000 to £750,000	£750,000 to £1.25m	£1.25m to £2m	£2m to £4m	£4m to £7.5m	£7.5m to £14m	£14m to £30m	£30m to £125m	£125m to £225m	£225m to £325m	£14,647 application fee for any GGY above £325m					

	<i>Application Fee</i>	£160	£320	£881
	<i>Proposed Application Fee</i>	£256	£512	£1,410

<i>Betting Intermediary</i>	Category	A1	B1	C1
	<i>GGY</i>	<i>Less than £5.5m</i>	<i>£5.5m to £110m</i>	<i>£110m or greater</i>
	<i>Application Fee</i>	£178	£178	£178
	<i>Proposed Application Fee</i>	£285	£285	£285

<i>GMT Full</i>	Category	A1	B1	C1	D1	E1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Application Fee</i>	£879	£1,464	£14,647	£14,647	£14,647
	<i>Proposed Application Fee</i>	£1,406	£2,342	£23,435	£23,435	£23,435

<i>GMT Supplier</i>	Category	A1	B1	C1	D1	E1
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	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Application Fee</i>	<i>£879</i>	<i>£1,464</i>	<i>£4,934</i>	<i>£4,934</i>	<i>£4,934</i>
	<i>Proposed Application Fee</i>	<i>£1,406</i>	<i>£2,342</i>	<i>£7,894</i>	<i>£7,894</i>	<i>£7,894</i>
GMT Software	Category	A1	B1	C1	D1	E1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Application Fee</i>	<i>£879</i>	<i>£1,464</i>	<i>£14,647</i>	<i>£14,647</i>	<i>£14,647</i>
	<i>Proposed Application Fee</i>	<i>£1,406</i>	<i>£2,342</i>	<i>£23,435</i>	<i>£23,435</i>	<i>£23,435</i>
Gambling Software	Category	A1	B1	C1	D1	E1
	<i>Gross Value of Sales</i>	<i>Less than £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £26.4m</i>	<i>£26.4m to £50m</i>	<i>£50m or greater</i>
	<i>Application Fee</i>	<i>£879</i>	<i>£1,464</i>	<i>£14,647</i>	<i>£14,647</i>	<i>£14,647</i>

	<i>Proposed Application Fee</i>	£1,406	£2,342	£23,435	£23,435	£23,435		
<i>ELM</i>	Category	A1	B1	C1	D1	E1	E2	E3
	<i>Application Proceeds</i>	<i>Less than £550,000</i>	<i>£550,000 to £2.5m</i>	<i>£2.5m to £5.5m</i>	<i>£5.5m to £10m</i>	<i>£10m to £17.5m</i>	<i>£17.5m to £35m</i>	<i>£35m or greater</i>
	<i>Application Fee</i>	£879	£1,464	£1,690	£2,050	£2,274	N/A	N/A
	<i>Proposed Application Fee</i>	£1,406	£2,342	£2,704	£3,280	£3,638	£6,946	£13,230
<i>Society Lotteries</i>	Category	A1	B1	C1	D1	E1	E2	
	<i>Application Proceeds</i>	<i>Less than £100,000</i>	<i>£100,000 to £500,000</i>	<i>£500,000 to £10m</i>	<i>£10m to £20m</i>	<i>£20m to £30m</i>	<i>£30m to £50m</i>	
	<i>Application Fee</i>	£147	£220	£293	N/A	N/A	N/A	
	<i>Proposed Application Fee</i>	£235	£352	£469	£1,340	£2,233	£3,572	

REMOTE

	Category	F1	G1	G2	H1	I1	J1	K1	L1	M1
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Casino 2005	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£2,640	£6,452	£6,452	£10,147	£14,896	£23,977	£33,832	£57,304	£57,304
	Proposed Application Fee	£4,224	£10,323	£10,323	£16,235	£23,834	£38,363	£54,131	£91,686	£91,686
Bingo	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£2,640	£6,452	£6,452	£10,147	£14,896	£23,977	£33,832	£57,304	£57,304
	Proposed Application Fee	£4,224	£10,323	£10,323	£16,235	£23,834	£38,363	£54,131	£91,686	£91,686
General Betting Standard (Virtual Events)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£2,640	£6,452	£6,452	£10,147	£14,896	£23,977	£33,832	£57,304	£57,304
	Proposed Application Fee	£4,224	£10,323	£10,323	£16,235	£23,834	£38,363	£54,131	£91,686	£91,686

The flat additional application fee of £1,050 payable for a licence that combines two of remote casino, bingo and virtual event betting will be increased to £1,680. The flat additional application fee payable for a licence that combines all three activities will increase from £2,100 to £3,360.

	Category	F1	G1	G2	H1	I1	J1	K1	L1	M1
Game host (casino)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£1,980	£4,839	£4,839	£7,610	£11,172	£17,983	£25,374	£42,978	£42,978
	Proposed Application Fee	£3,168	£7,742	£7,742	£12,176	£17,875	£28,772	£40,598	£68,765	£68,765
Game host (bingo)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£1,980	£4,839	£4,839	£7,610	£11,172	£17,983	£25,374	£42,978	£42,978
	Proposed Application Fee	£3,168	£7,742	£7,742	£12,176	£17,875	£28,772	£40,598	£68,765	£68,765
Betting host (virtual events only)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £25m	£25m to £100m	£100m to £250m	£250m to £550m	£550 to £1bn	Greater than £1bn
	Application fee	£1,980	£4,839	£4,839	£7,610	£11,172	£17,983	£25,374	£42,978	£42,978
	Proposed Application Fee	£3,168	£7,742	£7,742	£12,176	£17,875	£28,772	£40,598	£68,765	£68,765

The flat additional application fee of £785 payable for a licence that combines two of these host activities will increase to £1,256. The flat additional application fee payable for a licence that combines all three activities will increase from £1,570 to £2,512.

	Category	F1	F2	F3	G1	G2	H1	I1	J1	K1	L1
General Betting Standard (Real Events)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £15m	£15m to £55m	£55m to £110m	£110 to £220m	£220m to £550m	£550m to £1bn	Greater than £1bn
	Application fee	£2,933	£2,933	£2,933	£6,452	£6,452	£8,527	£14,647	£17,596	£25,777	£25,777
	Proposed Application Fee	£4,693	£4,693	£4,693	£10,323	£10,323	£13,643	£23,435	£28,154	£41,243	£41,243
Betting Host (real events only)	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £15m	£15m to £55m	£55m to £110m	£110 to £220m	£220m to £550m	£550m to £1bn	Greater than £1bn
	Application fee	£2,200	£2,200	£2,200	£4,839	£4,839	£6,395	£10,985	£13,197	£19,333	£19,333
	Proposed Application Fee	£3,520	£3,520	£3,520	£7,742	£7,742	£10,232	£17,576	£21,115	£30,933	£30,933
General Betting Standard (Remote Platform)	Category	F1									
	Application Fee	£178									

	<i>Proposed Application Fee</i>	£285									
<i>General Betting Limited</i>	Category	F1									
	GGY	<i>Less than £550,000</i>									
	<i>Application fee</i>	£534									
	<i>Proposed Application Fee</i>	£854									
<i>Pool Betting</i>	Category	F1	G1	G2	H1	H2	I1	J1	K1	L1	M1
	GGY	<i>Less than £1.5m</i>	<i>£1.5m to £3m</i>	<i>£3m to £7.5m</i>	<i>£7.5m to £15m</i>	<i>£15m to £55m</i>	<i>£55m to £110m</i>	<i>£110m to £220m</i>	<i>£220m to £550m</i>	<i>£550m to £1bn</i>	<i>Greater than £1bn</i>
	<i>Application fee</i>	£586	£884	£884	£1,464	£1,464	£1,824	£4,394	£4,394	£4,394	£4,394
	<i>Proposed Application Fee</i>	£938	£1,414	£1,414	£2,342	£2,342	£2,918	£7,030	£7,030	£7,030	£7,030
<i>Betting Intermediary</i>	Category	F1	F2	F3	G1	G2	H1	I1	J1	K1	L1

	GGY	Less than £550,000	£550,000 to £2m	£2m to £5.5m	£5.5m to £15m	£15m to £55m	£55m to £110m	£110 to £220m	£220m to £550m	£550m to £1bn	Greater than £1bn
	Application fee	£5,711	£5,711	£5,711	£11,716	£11,716	£13,306	£14,647	£17,596	£25,777	£25,777
	Proposed Application Fee	£9,138	£9,138	£9,138	£18,746	£18,746	£21,290	£23,435	£28,154	£41,243	£41,243

Betting Intermediary (trading rooms only)	Category	F1	G1	H1
	GGY	Less than £550,000	£550,000 to £6.6m	£6.6m or greater
	Application fee	£534	£879	£1,464
	Proposed Application Fee	£854	£1,406	£2,342

Gaming Machine Technical Full	Category	F1	G1	H1	H2
	Gross Value of Sales	Less than £550,000	£550,000 to £6.6m	£6.6m to £30m	£30m and above
	Application fee	£879	£1,464	£14,647	£14,647

	<i>Proposed Application Fee</i>	£1,406	£2,342	£23,435	£23,435	
<i>Gaming Machine Technical Supplier</i>	Category	F1	G1	H1		
	<i>Gross Value of Sales</i>	<i>Less than £550,00</i>	<i>£550,00 0 to £6.6m</i>	<i>£6.6m and above</i>		
	<i>Application fee</i>	£879	£1,464	£14,647		
	<i>Proposed Application Fee</i>	£1,406	£2,342	£23,435		
<i>Gaming Machine Technical Software</i>	Category	F1	F2	G1	H1	H2
	<i>Gross Value of Sales</i>	<i>Less than £200,000</i>	<i>£200,00 0 to £550,00 0</i>	<i>£550,00 0 to £6.6m</i>	<i>£6.6m to £30m</i>	<i>£30m and above</i>
	<i>Application fee</i>	£879	£879	£1,464	£14,647	£14,647
	<i>Proposed Application Fee</i>	£1,406	£1,406	£2,342	£23,435	£23,435
<i>Gambling Software</i>	Category	F1	F2	G1	H1	H2

	<i>Gross Value of Sales</i>	<i>Less than £200,000</i>	<i>£200,000 to £550,000</i>	<i>£550,000 to £6.6m</i>	<i>£6.6m to £30m</i>	<i>£30m and above</i>
	<i>Application fee</i>	<i>£5,711</i>	<i>£5,711</i>	<i>£11,716</i>	<i>£14,647</i>	<i>£14,647</i>
	<i>Proposed Application Fee</i>	<i>£9,138</i>	<i>£9,138</i>	<i>£18,746</i>	<i>£23,435</i>	<i>£23,435</i>

<i>ELM</i>	Category	F1	G1	H1	I1	J1	K1	L1
	<i>Application Proceeds</i>	<i>Less than £550,000</i>	<i>£550,000 to £2.5m</i>	<i>£2.5m to £5.5m</i>	<i>£5.5m to £10m</i>	<i>£10m to £17.5m</i>	<i>£17.5m to £35m</i>	<i>£35m or greater</i>
	<i>Application Fee</i>	<i>£879</i>	<i>£1,464</i>	<i>£1,691</i>	<i>£2,050</i>	<i>£2,217</i>	<i>N/A</i>	<i>N/A</i>
	<i>Proposed Application Fee</i>	<i>£1,406</i>	<i>£2,342</i>	<i>£2,706</i>	<i>£3,280</i>	<i>£3,547</i>	<i>£6,946</i>	<i>£13,230</i>

<i>Society Lotteries</i>	Category	F1	G1	H1	I1	J1	K1
	<i>Application Proceeds</i>	<i>Less than £100,000</i>	<i>£100,000 to £500,000</i>	<i>£500,000 to £10m</i>	<i>£10m to £20m</i>	<i>£20m to £30m</i>	<i>£30m to £50m</i>

	<i>Application Fee</i>	<i>£147</i>	<i>£220</i>	<i>£293</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
	<i>Proposed Application Fee</i>	<i>£235</i>	<i>£352</i>	<i>£469</i>	<i>£1,340</i>	<i>£2,233</i>	<i>£3,572</i>