

HOME OFFICE
SCOTTISH OFFICE

Report of the GAMING BOARD FOR GREAT BRITAIN 1982

London
Her Majesty's Stationery Office

REPORT OF THE
GAMING BOARD FOR
GREAT BRITAIN
1982

Presented pursuant to Act Eliz. II 1968 c. 65 s. 50

*Ordered by The House of Commons to be printed
26 April 1983*

LONDON
HER MAJESTY'S STATIONERY OFFICE

Previous Reports

1981—H.C. 324 (1981-82)

1980—H.C. 262 (1980-81)

1979—H.C. 561 (1979-80)

MEMBERS OF THE GAMING BOARD FOR GREAT BRITAIN

LORD ALLEN OF ABBEYDALE GCB, *Chairman*

MRS. E. B. Y. HUNTER-JONES

SIR LINDSAY RING GBE

MR. T. NORMAN RITCHIE TD

SIR JAMES STARRITT KCVO

Secretary

MR. M. H. HOGAN

Gaming Board for Great Britain

Berkshire House

168-173 High Holborn

London WC1V 7AA

To:

Her Majesty's Secretary of State for the Home Department,
and
Her Majesty's Secretary of State for Scotland.

In pursuance of section 50 of the Gaming Act 1968 I have the honour to present the fourteenth report of the Gaming Board for Great Britain covering the year 1st January to 31st December 1982.

ALLEN OF ABBEYDALE.

15th March 1983.

CONTENTS

<i>Chapter</i>	<i>Paragraphs</i>	<i>Page</i>
1. INTRODUCTION	1- 9	7
2. GENERAL	10- 16	8
3. CASINO GAMING	17- 43	10
4. LICENSED BINGO	44- 65	16
5. CERTIFICATION OF EMPLOYEES	66- 79	22
6. GAMING MACHINES	80- 92	27
7. REGISTERED CLUBS	93-101	30
8. POOL COMPETITIONS ACT 1971	102-105	32
9. LOTTERIES	106-119	33
10. INSPECTORS AND ENFORCEMENT	120-129	40

APPENDICES

	<i>Page</i>
I. REMUNERATION AND EXPENSES OF THE BOARD AND SENIOR STAFF	42
II. LIST OF AREAS IN WHICH THE LICENSING OF CLUBS FOR GAMING OTHER THAN BINGO IS PERMITTED, SHOWING THE NUMBER OF LICENSED CLUBS OPERATING ON 1 JANUARY AND 31 DECEMBER 1982	43

INTRODUCTION

1. This is the Board's fourteenth Annual Report.

2. There were no changes in the membership of the Board during the year. Lord Allen's appointment as Chairman was extended for two years to 30 June 1984.

Contacts with other enforcement agencies

3. The Board continued to provide consultancy services to the Bahamian authorities, involving visits to the Bahamas and discussions in London.

4. We received a visit from the Attorney General of the State of New Jersey accompanied by the Acting Director of the Division of Gaming Enforcement. In addition to discussion with the Board, arrangements were made for the Attorney General to meet the Right Honourable Timothy Raison MP, Minister of State, Home Office and Sir Michael Havers QC, MP, the Attorney General. Earlier in the year the Secretary of the Board had given evidence before the State of New Jersey Casino Control Commission in the hearing of the Playboy application for the grant of a full licence in Atlantic City.

5. The Board accepted an invitation from the Swedish Gaming Board and the Ministry of the Interior in Finland for the Secretary to visit the operations of the Gaming Board in Sweden and of the slot machine associations in the Aaland Islands and Finland which operate under state jurisdiction.

6. The Board received a visit from the Isle of Man Gaming Board and arranged a programme of observation of some features of mainland gaming. Later in the year, members of the Board discussed relevant matters with the Honourable F X Connor QC, Chairman of a Board of Inquiry into casinos set up by the Governor-in-Council in the State of Victoria, Australia. Mr Connor, with his colleagues, visited London and spent some time inquiring into aspects of gaming in Great Britain.

7. At the end of the year, the Secretary and other officials of the Dutch Gaming Board visited us to take further matters of mutual concern which had been raised on the occasion of a visit to Holland earlier in the year by the Board's Chief Inspector.

8. Finally, the Secretary delivered an address to an international gaming conference in Nevada organised by Laventhol & Horwath.

9. In addition to these visits, the Board were in correspondence with a number of gaming authorities and interests overseas. During the year, the Board were involved in much day to day work arising from the international nature of gaming.

GENERAL

Legislation

10. In paragraphs 18 and 19 of our last report, we referred to the Gaming (Amendment) Bill, which was introduced into the House of Commons by Mr Michael Brown MP. Lord Harmar-Nicholls was responsible for taking it through the House of Lords. The Bill had an uneventful passage through Parliament. It became law on 28 August 1982, as the Gaming (Amendment) Act 1982. The Act amends the provision in Part II of the Gaming Act 1968 for the time-table and procedures in the licensing of casino and bingo clubs. In the past, applications for the grant or renewal of licences could be made only in January or February for hearing at the annual licensing sessions beginning in May of each year. Applications for certificates of consent for new licences had to be sent to the Board by the end of the preceding October. Nearly all consent applications were submitted at the end of October, with the result that it was difficult to process and determine them before the end of February.

11. The new Act creates a flexible time-table which allows applications for new licences to be made at any time and extends the period during which applications for the renewal of existing licences can be made. It removes from the Board the need to determine consent applications by the end of February each year. The flexibility of the new arrangements should prove of value to the Courts, the Board and the industry.

Increases in fees

12. Three orders came into force on 27 September. The first was the Gaming Act (Variation of Fees) Order 1982, which gave effect to the following increases in fees:—

	<i>From</i>	<i>To</i>
	£	£
Grant of a casino gaming licence	12,500	15,000
Renewal of a casino gaming licence	2,470	3,000
Transfer of a casino gaming licence	1,900	2,250
Registration of a club or institute under Part II	78	90
Renewal of registration under Part II	39	45
Registration of a club or institute under Part III	39	45
Renewal of registration under Part III	19	22
Employee's certificate of approval	14	16
Issue of a machine certificate (section 27)	1,050	1,200
Renewal of a machine certificate (section 27)	435	475
Grant or renewal of a permit under section 34	7.50	8.50
Grant of a bingo only licence	1,050	1,200
Renewal of a bingo only licence	435	475
Transfer of a bingo only licence	215	250

13. Second was the Amusement with Prizes (Variation of Fees) Order 1982, which gave effect to the following increase:—

	<i>From</i> £	<i>To</i> £
Grant or renewal of a permit under section 16 of the Lotteries and Amusements Act 1976	7.50	8.50

14. The date on which the orders came into force meant that casino and bingo operators whose licences were renewed in May paid no increase in the year and no additional revenue was received on the other fees before September. This will cause a considerable deficit in our trading account for the 1982-83 financial year.

15. Third was the Lotteries (Gaming Board Fees) (Amendment) Order 1982. Its effect is explained in paragraphs 109-110.

Remuneration of the Board and staff

16. Details are shown in Appendix I.

CASINO GAMING

Casino activities

17. We referred in our 1981 Report to events following the raids on casinos operated by the Playboy Group, the Knightsbridge Sporting Club and the Olympic Casino; and to events affecting Maxim's Casino Club.

The Playboy Group

18. On 8 January, the Playboy Group of Companies was sold to a British company, Trident Television. This company applied for and was granted certificates of consent to enable it to apply for new licences for all the casinos formerly operated by Playboy. The new owners first withdrew the appeals against the refusal in 1981 of the South Westminster licensing justices to renew the licences for the former Playboy Club in Park Lane and the Clermont Club, and the clubs closed on 15 February. The Board withdrew their objections to the renewal of the licences of the Playboy Victoria Casino in London and the Playboy Clubs in Portsmouth and Manchester.

19. On 10 May, the South Westminster licensing justices refused an application by Trident for a licence for the Park Lane Playboy. This decision was upheld by the Knightsbridge Crown Court on appeal on 29 July. Later in the year Trident, after obtaining a further certificate of consent from the Board, made a fresh application to the South Westminster justices for a licence for these premises but withdrew the application when the matter came before the court.

20. On 13 May the South Westminster licensing justices granted a licence to Trident in respect of the Clermont Club. It reopened on 17 May.

The Knightsbridge Sporting Club

21. On 29 April, the group of companies controlling the licence for this club was sold to Mr A A Barnett for £1,000. The new owner continued with the appeal against the decision of the South Westminster licensing justices to cancel the licence and disqualify the premises for three years. The appeal was dismissed by the Knightsbridge Crown Court on 8 June and the club closed immediately. An application to the Divisional Court for a judicial review was then made. This application was dismissed by the Court on 22 October. The owners appealed against that decision to the Court of Appeal. This appeal was dismissed on 22 December. We refer in paragraph 24 to the implications of the Court of Appeal's judgement for the interpretation of aspects of section 16 of the Gaming Act 1968.

The Olympic Casino

22. On 4 February H F Demetriou Holdings Limited, the licence holder for the Olympic Casino and the Leicester Sporting Club, was sold to Metropole Casinos Ltd, a wholly owned subsidiary of the Lonrho Group. The new owners closed the Olympic Casino and surrendered the licence the following day. The Board withdrew their application for the cancellation of the licence of the Leicester Sporting Club.

Maxim's Casino Club

23. On 18 December 1981 the Middlesex Crown Court had indicated that they would uphold an appeal by the Gaming Board in objecting to the renewal of this licence but formal judgement was deferred so as to enable the club to be disposed of to an operator acceptable to the Board. On 26 March the company holding the licence for this club was sold to Pleasurama plc. The Board withdrew their appeal.

Section 16

24. Reference was made in paragraphs 25 and 26 of our last report to the doubts expressed by some operators over the interpretation of section 16 of the Gaming Act 1968 relating to the grant of credit. The Board were unable to discuss this matter with the British Casino Association so long as cases were *sub judice*. In particular, the owners of the Knightsbridge Sporting Club made an application to the Divisional Court for a judicial review of the order of the Crown Court dismissing their appeal against the cancellation of their licence. It was contended before the Divisional Court, *inter alia*, that the Crown Court had erred in finding that some cheque transactions were unlawful. The application was dismissed. The owners then appealed to the Court of Appeal. Among other submissions, the commercial problems faced by operators in this context were put before the court. The Court of Appeal dismissed the appeal on 22 December. Its judgment will be carefully studied.

Number and distribution of licensed clubs

25. The number of clubs operating on 1 January was 126 and on 31 December 117. A breakdown of these numbers is given in Appendix II, which lists the locations in which clubs may be licensed for gaming other than bingo, bridge or whist.

Financial returns for the 12 months September 1981 to August 1982

26. The estimated drop (money changed for chips) for the period was £1,006.9m, an increase of £77m over the previous 12 months. The totals for the last 5 years have been:—

<i>Year</i>	<i>£ million</i>	<i>% increase (over previous year)</i>
1977-78	727	7%
1978-79	919	26%
1979-80	930	1%
1980-81	930	—
1981-82	1,007	8%

27. London's share of the drop had been declining since 1977. In 1981, it was £637m-68.5% of the total drop for Great Britain. This year, however, its drop increased considerably to £702m, largely as a result of a considerable upsurge in business from May, and particularly in July and August. This sum represented 69.7% of the total drop for Great Britain. Outside London, the drop went up less than it did in 1980-81; from £293m to £305m. All regions except the North West and East Midlands showed an increase, although in most cases it was marginal.

28. The average amount of drop per head of adult population in London and in each of the 10 regions is shown in the following table:—

	£
Greater London	137.62
North West	14.41
Scotland	11.95
Yorkshire and Humberside	11.47
West Midlands	9.82
South East	7.90
Wales	7.30
East Midlands	6.73
Northern	5.73
South West	4.63
East Anglia	2.37

29. A comparison of the money staked on casino games was as follows:—

	<i>Stakes expressed as a percentage of the drop</i>				
	1977-78	1978-79	1979-80	1980-81	1981-82
American roulette	56	59	61	62.50	61.1
Punto banco	19	18.5	17	17.25	19.5
Blackjack	17	16	17.5	18.25	17.3
Craps	2	2	1.5	1.20	1.2
French roulette	5.5	4	2.5	0.70	0.8
Baccarat	0.5	0.5	0.5	0.10	0.1

Scrip cheques

30. During the year, we reached agreement with the British Casino Association on a set of procedures to be used by all their members for the control of these cheques, sometimes known as house cheques. The clubs which are not members of the Association agreed to adopt the new procedures. The necessity to improve controls had been revealed in cases which had been before the Courts.

1980-81 applications

31. Of the 4 licence applications which were outstanding at the end of 1981, 3 were withdrawn and one refused.

1981-82 applications

32. The following tables show (i) the number of consent applications received and their determination between 1 November 1981 and 28 February 1982 and (ii) the number and determination of the resultant licence applications.

	England and Wales	Scotland	Total
<i>(i) Certificates of consent</i>			
Applications made	66	6	72
Applications withdrawn	32	2	34
Applications refused	6	—	6
Applications deferred	—	—	—
Applications outside the permitted areas	1	2	3
Certificates issued	27	2	29

	England and Wales	Scotland	Total
<i>(ii) Licences</i>			
Applications made	23	2	25
Applications withdrawn	6	—	6
Applications refused	7	1	8
Applications adjourned	4	—	4
Licences granted	6	1	7

1982 Consent applications and the resultant licence applications

33. The following tables show (i) the number of consent applications received between 1 March and 31 December and (ii) the number and determination of the resultant licence applications.

	England and Wales	Scotland	Total
<i>(i) Certificates of consent</i>			
Applications made	11	4	15
Applications withdrawn	1	1	2
Applications refused	—	—	—
Applications outside the permitted areas	1	—	1
Applications not determined by 31 December	5	3	8
Certificates issued	4	—	4

	England and Wales	Scotland	Total
<i>(ii) Licences</i>			
Applications made	2	—	2
Applications withdrawn	1	—	1
Applications refused	—	—	—
Applications adjourned	1	—	1
Licences granted	—	—	—

Demand for gaming facilities

London

34. At the end of 1981 there were 21 clubs licensed for casino gaming in London. By the time the licensing sessions commenced in May, the number had been reduced as a result of loss of licences, to 16 and the licence for one of these (the Knightsbridge Sporting Club) was soon to be cancelled—see paragraph 21. In spite of this reduction in the number of clubs, the evidence

provided by the annual census of gaming which was carried out in November 1981 showed that, statistically, the facilities for gaming provided by the existing clubs were sufficient to meet the demand and that on that basis there was no justification for the grant of any further licences. The annual census also provided evidence of a decline over a period of three years of the figures for the highest number of people playing all games in all the clubs at one time. In framing our advice for the London licensing authorities, however, we took account of the fact that 3 clubs (Playboy, Clermont and Olympic) had closed as recently as February. We also took note of the suggestion that not all clubs are attractive to all players and that some of the patrons of clubs which had closed might not be able to find a suitable club among those which were left. We therefore decided that, despite the census evidence, a case could be made that in 1982 there was room for some additional facilities in London. We had no basis on which to quantify how many additional clubs might be justified but our general conclusion was that no more than one or two would be desirable. We offered advice to the London licensing authorities on that basis.

35. By the time we issued this advice, 8 applications for additional casino licences in London had been made. It would not have been fitting initially for the Board to discriminate between these applications by objecting to some but not to others.

36. In the event, the hearings for the individual applications were spread over a lengthy period. By the end of it, licences for 4 additional clubs had been granted. Two of these were in the South Westminster Petty Sessional Division; one was in the West London Division; and one, for the first time, was in the West Central Division. In addition, a licence for a club, the Rendevous (Hilton), in the South Westminster Division which had not yet opened was renewed, and an undertaking which had been previously given that an existing licence would be surrendered when the new club opened was allowed to lapse.

37. Of the two new licences granted by the South Westminster justices, one was that issued to Trident (as recorded in paragraph 20 above) for the purpose of re-opening the Clermont Club. The other was for the premises of the Curzon House Club, for which the former licence had been cancelled in March 1981. We lodged an appeal against the decision in the case of the Curzon House premises, on the grounds that facilities in existing clubs were already sufficient to meet the demand. This appeal was heard in the Knightsbridge Crown Court and, in a judgement delivered on 14 October, the decision of the justices was overturned and the licence refused. An application was subsequently made to the Divisional Court for a judicial review of this decision. This application was dismissed.

Outside London

38. Five applications for additional licences were made in provincial areas during January and February. We lodged objections to three, on the basis of our statistics of demand. Two of these (Nottingham and Blackpool) were refused and the third (Portsmouth) was adjourned to the licensing sessions in October 1983. Appeals were lodged against both refusals. One was withdrawn before coming to court and the other was dismissed. Of the remaining two applications (both in Glasgow) one was granted and the other refused.

Collection of data on demand

39. Under the new licensing time-table, brought about by the Gaming (Amendment) Act 1982 (see paragraph 10 above), licensing authorities are required to fix meetings in 4 specified months each year for the purpose of hearing any applications for the grant or renewal of licences which may be awaiting consideration. Paragraph 19(1) of Schedule 2 to the Gaming Act 1968 provides that we may give advice to licensing authorities concerning the demand for gaming facilities in their areas. It has been our practice to do this when an application has been made for a new licence in a locality with existing casinos. Our advice has been based on statistical information submitted by all existing casinos. This arrangement had to be modified when the main licensing sessions no longer took place only once a year, in May. The need to advise licensing authorities at varying times throughout the year was discussed with the British Casino Association and it was agreed that, starting in October, returns would be submitted from all casinos for a single weekend in every month of the year. The casinos which are not members of the Association agreed to co-operate. This new arrangement will allow us to keep an eye on any variations in the trends of demand and will ensure that any advice we offer to licensing authorities will be up-to date.

40. Since it will take some time under the new system to accumulate sufficient data on which to base advice, we decided to make contingency plans for giving advice to licensing authorities for the sessions in January 1983; and a full census was carried out during the 4 weeks in September.

Applications for renewal

41. At the beginning of the year, there were 128 valid licences in existence although only 126 clubs were operating. 123 licences were renewed, 1 application was refused, 1 was adjourned and 2 were not proceeded with. In the remaining case, no application for renewal was made.

Transfers of licences

42. Three applications for consent to transfer existing licences were made during the year. By 31 December 2 certificates had been issued and the third had not been determined.

Financial returns

43. During the year, we reached agreement with the British Casino Association on the submission to the Board of annual audited accounts from all clubs. Clubs which are not members of the Association also agreed to submit their accounts. This information will assist the Board in the discharge of their responsibility to keep under review the extent and character of gaming facilities in Great Britain.

LICENSED BINGO

Trends

44. In our last report we were able to publish only a provisional estimate of the annual amount staked on bingo in the 12 months ended 31 August 1981. Statistics provided by HM Customs & Excise indicate that the revised figure for that period was £491m (compared with the provisional estimate of £472.50). This revised figure was 7.7% more than that for the previous 12 months.

45. The figure for the 12 months ended 31 August 1982 was £469m. This figure represented a decrease of 4.5% compared with the figure for the previous 12 months. It is the first time since the Board have published figures that there has been a decrease. Figures for the last five 12 monthly periods are as follows:—

12 months ended 31 August 1978	=£367.50 million
1979	=£405.72 ,,
1980	=£456.02 ,,
1981	=£491.00 ,,
1982	=£469.00 ,,

Size of the industry

46. The number of clubs licensed under Part II of the Gaming Act 1968 continued to decrease. The number of clubs so licensed at 31 December in each of the past 5 years was:—

	<i>England and Wales</i>	<i>Scotland</i>	<i>Total</i>
1978	1,530	190	1,720
1979	1,510	187	1,697
1980	1,476	185	1,661
1981	1,424	181	1,605
1982	1,380	176	1,556

47. Not all clubs holding licences are open for business. At the end of the year, a total of 1,451 clubs (1,288 in England and Wales and 163 in Scotland) were operating, compared with 1,510 at 31 December 1981.

48. Out of a total of 66 certificates issued by the Board up to 28 February, 60 applications were made to licensing authorities, 36 licences were granted and 3 hearings remained adjourned at 31 December. Details are in the tables at paragraph 56. Yet again the Board were involved in much investigatory work which proved to be wasted when applications were later withdrawn.

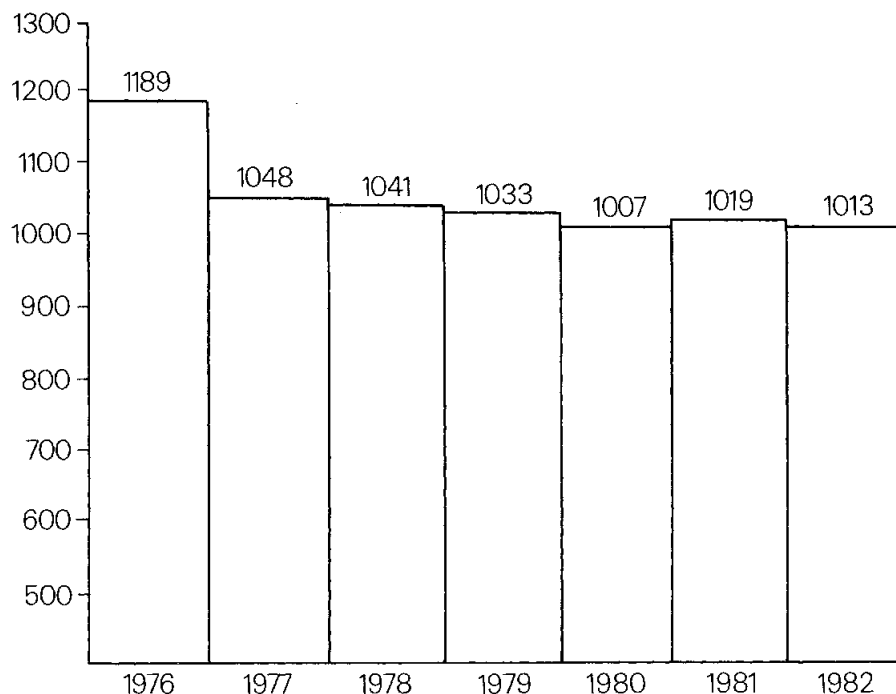
Linked bingo

49. The number of clubs participating in linked bingo declined slightly from 1,019 to 1,013. The number of links operated decreased from 344 to 322.

50. The largest link-up was one of 20 clubs. This was exceptional. Most links were small, consisting of 2 or 3 clubs:—

	<i>Number of such links</i>	<i>Number of clubs participating</i>
2 clubs linked	104	208
3 " "	127	381
4 " "	60	240
5 " "	20	100
6 " "	7	42
7 " "	2	14
8 " "	1	8
20 " "	1	20
	322	1,013

51. The table below shows an analysis of the number of clubs participating in linked bingo from 1976 to 1982.



Survey of bingo clubs

52. Every two years since 1972 we have carried out a survey to obtain information about the number of people who regularly play bingo. These surveys have been carried out by our inspectors with the co-operation of the Bingo Associations and individual clubs. Our conclusions for the 1982 survey, and comparisons with previous years, can be summarised as follows:—

- (a) The number of regular bingo players seems to have decreased again, from about 5.7m to about 5.4m— which would mean that about 13.5%

of the adult population played bingo. Our sample however was not large enough for us to claim complete accuracy for this calculation.

- (b) The average daily attendances continued to fall and to fall more drastically.

1972	461,254		
1974	468,478	plus	1.6%
1976	453,950	minus	3.1%
1978	424,038	minus	6.6%
1980	412,311	minus	2.8%
1982	358,550	minus	13.0%

- (c) The percentage of the players who were men went down slightly from 17% in 1980 to 16% in 1982.
- (d) The percentage of the players who were under 30 went down from 11% in 1980 to 10% in 1982.
- (e) The survey again covered four categories of clubs with capacities of:—
- up to 500;
 - between 501 and 750;
 - between 751 and 1,000; and
 - of more than 1,000.

- (f) The average amounts paid for admission and as participation fees over the past six surveys have been:—

	1972	1974	1976	1978	1980	1982	
Larger clubs	20p	27p	30.5p	58p	£1.12	£1.24	(capacity 751-1,000)
					99p	£1.40	(capacity over 1,000)
Smaller clubs	15p	21p	32p	54p	90p	£1.11	(capacity up to 500)
					93p	£1.20	(capacity 501-750)

- (g) The average amounts staked have been:—

	1972	1974	1976	1978	1980	1982	
Larger clubs	£1.10	£1.25	£1.58	£2.11	£3.16	£3.27	(capacity 751-1,000)
					£3.08	£3.86	(capacity over 1,000)
Smaller clubs	80p	£1.13	£1.37	£1.92	£2.60	£3.17	(capacity 501-750)

These figures show an average increase of 18% since 1980 compared with one of 43% between 1978 and 1980.

Bingo duty

53. The rate of bingo duty was not changed during the year. We referred at paragraph 46 of our 1981 report to the review of bingo duty announced by the Chief Secretary to the Treasury on 6 July 1981. As a result of that review, liability to bingo duty was extended to licensed clubs and miners' welfare institutes, which had previously been exempt. With effect from 27 September 1982, promoters became liable to bingo duty whenever the value of prizes exceeded £300 in any one day or £1,000 in any one week. Once these limits had been exceeded, duty became payable on all bingo played in that week and the succeeding 12 weeks. HM Customs & Excise estimated that the change would mean that a minority of members' clubs which provide bingo on a substantial scale would cease to be exempt from duty.

Newspaper bingo

54. In paragraphs 55 to 58 of our 1981 report we referred to games of "free bingo" with very substantial prizes offered by several daily and Sunday newspapers in an effort to increase circulation. Representatives of the licensed bingo industry continued to point out that the newspapers could offer large prizes and advertise the games and prizes, whereas there were restrictions on the industry which prohibited similar activity. There was no clear evidence by the end of the year whether the newspaper bingo promotions had any effect on the popularity of the game or the decline in business among licensed clubs.

Bingo gaming hours

55. In paragraph 60 of last year's report, we referred to discussions about the possibility of an earlier start for licensed operators and changes in the regulations designed to bring charging periods into line with gaming hours. These discussions continued, but the issues had not been resolved by the end of the year.

1981-82 applications

56. The following tables show the number of consent applications received and their determination by the Board by 28 February and the number and determination of the resultant licence applications:—

	England and Wales	Scotland	Totals
<i>Certificates of consent</i>			
Applications made	82	7	89
Applications withdrawn	20	1	21
Applications refused	2	—	2
Certificates issued	60	6	66

Note—Although the Board issued 66 certificates, no applications were made in respect of 6 (5 in England and Wales and 1 in Scotland) leaving 60 for the licensing stage.

	England and Wales	Scotland	Totals
<i>Licences</i>			
Applications made	55	5	60
Applications withdrawn	12	—	12
Applications refused	8	1	9
Applications not determined by 31 December	3	—	3
Licences granted	32	4	36

Applications for renewal

57. During January and February, 1,636 applications for renewal of licences were lodged with licensing authorities. 1,520 were renewed, 109 withdrawn, 4 were refused and 3 were still to be determined at the end of the year.

58. The Board were concerned about the renewal of three bingo licences when the directors of the new parent company of a licence holding company

failed to complete personal declaration forms. The company agreed that it would divest itself of its bingo interests, but although it had been given a lengthy period to do so, it had failed to dispose of 3 clubs by early 1982. Following the grant of a certificate of consent, the licence of one club was transferred to another company. The licence holder withdrew the renewal application for the second club and, in the remaining case, the licensing authority refused to renew the licence following the Board's representations.

59. The Board also made objections against the renewal of three other bingo licences. One objection was lodged against the renewal of a licence on the grounds that the applicant company was not a fit and proper person and that duty payable in respect of the premises remained unpaid. The objection was not contested by the licence holder and the renewal application was refused.

60. Objections were lodged against the renewal of two licences held by an individual who had been convicted of 6 charges of allowing machines to be used for gaming when members of the public had access to the premises. One objection was withdrawn where, following the grant of a certificate of consent, the licence was transferred to other persons. The other objection was successful. The licence holder appealed to the Crown Court but the appeal was withdrawn before the matter came before the court. One other renewal application was refused by a licensing authority because the renewal fee had not been paid.

Amusement with prizes machines in licensed bingo clubs

61. We referred in paragraphs 65 and 145 of our 1981 report to clubs which were granted directions under section 32 of the Gaming Act 1968 for amusement-with-prizes machines instead of the usual two jackpot gaming machines. The 1982 licensing sessions saw a significant increase in applications for such directions. The Board are aware that 106 directions were granted, although there might have been others which we do not know about because some licensing authorities indicated only that a licence had been renewed and did not submit a copy of the licence. The number of machines permitted varied between 6 and 100.

62. The Board think it important that account should be taken of the space available for the number of machines installed and that sufficient room should be allowed to permit the free circulation of people between players and machines and any other obstacles. It also appears to the Board desirable that machines should be disposed about the hall and not grouped in one place in the fashion of an amusement arcade which would not be easy to reconcile with the traditional social character of bingo clubs. In some cases a large number of machines were installed in entrance foyers in a way which gave the impression of an amusement arcade. Some cases involved the investigation of possible irregularities under section 31(8) of the Gaming Act.

1982 consent applications

63. As a result of the enactment of the Gaming (Amendment) Act 1982, applications for certificates of consent may now be made at any time of the

year and any successful consent applicants may also apply at any time for the grant of a new licence. The following tables give details of the number of consent applications received and their determination by the Board by 31 December and the number and determination of the resultant licence applications:—

	England and Wales	Scotland	Totals
<i>Certificates of consent</i>			
Applications made	57	12	69
Applications withdrawn	2	—	2
Applications refused	—	—	—
Applications not determined by 31 December ...	18	2	20
Certificates issued	37	10	47

	England and Wales	Scotland	Totals
<i>Licences</i>			
Applications made	33	9	42
Applications withdrawn	—	—	—
Applications refused	—	—	—
Applications not determined by 31 December ...	33	9	42
Licences granted	—	—	—

Transfer of licences

64. During the year, the Board received 90 applications for certificates of consent to the transfer of “bingo only” licences from one person to another. Of these applications, 9 were withdrawn, 56 were granted, and 25 remained to be determined by the end of the year.

65. In previous reports we have referred to prospective transferees taking over bingo clubs before licences have been transferred. Sometimes this has been done even before applications have been made to the Board for certificates of consent to transfer. The responsibility for the conduct of bingo in clubs which are subject to the transfer of licence process must remain with the existing licence holders until such time as the licence has been transferred by the licensing authority. If the person to whom it is proposed to transfer the licence wishes to control the bingo operation, this may be done only as an agent of the licence holder. The Board regard it as essential that the proposed transferee must possess the Board’s certificate of consent to transfer in respect of the premises and that there must be a formal written management agreement between the parties.

CERTIFICATION OF EMPLOYEES

Size of the industry

66. During the year, we received 4,861 applications for certificates under section 19 of the Gaming Act and issued 4,147 certificates. These figures compared with 5,382 and 4,562 in 1981, and 4,754 and 4,202 in 1980.

67. There were 7,370 certificated staff in the bingo and gaming industries on 1 December. This is a reduction of about 600 in casinos and 200 in bingo as compared with 1981.

68. The closure of four clubs in London during the first half of the year resulted in representations that we should stop for a time the issue of new certificates to enable those thrown out of work by the closures to have first call on such jobs as were available. Such action would be outside the Board's powers, quite apart from the fact that the selection of staff is clearly a matter which must remain with the licence holders.

Census of staff employed

69. We are grateful to licensees and proprietors of casino gaming and bingo clubs for co-operating in providing a census of certificated staff employed on 1 December. The results, compared with those of last year's census, are given in the following tables:—

(a) Casino gaming clubs

(i) England and Wales—107 clubs

	Male		Female		Totals	
	1982	1981	1982	1981	1982	1981
Managers	416	475	72	65	488	540
Supervisors	114	101	42	51	156	152
Inspectors	1,316	1,466	1,087	1,058	2,403	2,524
Operatives	1,144	1,233	1,351	1,711	2,495	2,944
Totals	2,990	3,275	2,552	2,885	5,542	6,160

(ii) Scotland—10 clubs

	Male		Female		Totals	
	1982	1981	1982	1981	1982	1981
Managers	31	41	9	10	40	51
Supervisors	12	9	1	2	13	11
Inspectors	73	58	59	46	132	104
Operatives	129	132	112	135	241	267
Totals	245	240	181	193	426	433

(iii) Total Great Britain—117 clubs

	Male		Female		Totals		Change
	1982	1981	1982	1981	1982	1981	
Managers	447	516	81	75	528	591	-63
Supervisors	126	110	43	53	169	163	+6
Inspectors	1,389	1,524	1,146	1,104	2,535	2,628	-93
Operatives	1,273	1,365	1,463	1,846	2,736	3,211	-475
Totals	3,235	3,515	2,733	3,078	5,968	6,593	-625

(b) Bingo clubs—managers only

	Clubs Operating		Male		Female		Totals	
	1982	1981	1982	1981	1982	1981	1982	1981
England & Wales	1,271	1,343	859	977	352	495	1,211	1,472
Scotland	163	167	130	101	61	45	191	146
Totals	1,434	1,510	989	1,078	413	540	1,402	1,618

For bingo clubs, only the managers are required to be certificated. When the club is managed by the licence holder in person, the holder is not required to obtain a manager's certificate since he or she will have been investigated during the procedure leading to the issue of the certificate of consent and the licence. 49 out of a total 1,434 bingo clubs were managed by the licence holder without the assistance of any certificated staff.

Interviews

70. 186 interviews were held. They comprised:—

- (a) 38 first time applicants for gaming managers' certificates. 32 were granted and 6 deferred.
- (b) 99 first time applicants for supervisors' certificates. 87 were granted, 11 were deferred and 1 was refused.
- (c) 2 applicants for gaming inspectors' certificates about whom there was some doubt. Both were granted.
- (d) 13 new applicants for gaming operatives certificates about whom there was some doubt. 10 were granted, 2 were refused and 1 was withdrawn.
- (e) 13 applications from persons previously certificated who had been subject to revocation action or adverse reports in the past. 8 were granted and 5 were refused. In 4 of the latter cases previously issued certificates were revoked.
- (f) 17 persons already holding gaming certificates who had been the subject of adverse reports. In 7 cases the Board took no further action, 8 had one or more certificates revoked and 2 cases were still to be determined at the end of the year.
- (g) 1 first time applicant for a bingo manager's certificate about whom there was some doubt. It was granted after interview.

- (h) 3 persons already holding bingo managers' certificates who had been the subject of adverse reports. 2 were granted certificates on re-application. 1 manager had his certificate revoked.

Types of certificates

71. By the end of the year, the supervisor's certificate had been in use for a little over two years. Not surprisingly, the number of applications for this certificate fell in 1982, following the peak demand in 1981, but we continued to receive indications from the industry that the new certificate was fulfilling the need for which it was designed. The introduction of the certificate has enabled us to maintain a high standard for those granted a full manager's certificate. We believe that our determination to maintain such a standard for our premier certificate has the support of the industry.

72. In 1981, the processing of each application for a certificate took several months. Steps taken to improve the situation led to the result that by the later part of the year under review processing was up to date and applicants were being called for interview within weeks of the date of receipt by the Board of the application. A number of interview dates were refused because applicants had not expected to be called so quickly and were not sufficiently prepared. We should like to emphasize that it is in everyone's interests that clubs should not submit applications, in particular for supervisors' or managers' certificates, until they are sure that the applicants have sufficient practical experience and knowledge of the Gaming Act and its regulations to qualify for the certificate applied for.

Quality of applicants

73. The Board again found that the quality of applicants for the two senior certificates was in general good. A small number, however, (approximately 13% of the applications received) were not up to the standard expected by the Board and their applications were deferred or refused. It seemed that some clubs were still using the Board's interview as a form of promotion test, rather than submitting candidates who they felt were up to the job and whom they wanted to support. The schedule in Appendix III of our 1981 report set out the scope of the questions an applicant would be expected to have knowledge of when interviewed for a supervisor's or manager's certificate.

Issue of certificates

74. There were fewer complaints of delay in the processing of applications than in previous years. Some applications for first time certificate holders took time to process, but this was unavoidable because of the length of the enquiries carried out by the police or other authorities. The Board are always prepared to accept queries about the reasons for any unusual delay.

Overseas enquiries

75. We continued to receive a large number of enquiries from regulatory authorities in other countries where British staff holding our certificate were seeking employment. We believe that the number of these enquiries indicates the high standards of training which the British industry insists on for its operatives.

Employers recommendation on page 3 of the application form GB11

76. We found it necessary in our 1981 annual report to draw attention to the increasing number of instances of employers not taking up references for their prospective employees. The Board consider it important that employers should satisfy themselves so far as they are able about the suitability of prospective employees. We have therefore decided that applications will not be accepted in future unless the application form is signed by the licence holder or a person authorised by him, indicating that he has checked on suitability and notifying his intention to employ the applicant if a certificate is granted. The wording of the recommendation will be amended to draw attention to this requirement.

Contravention of section 23(6) of the Gaming Act

77. Once again a number of applicants failed to disclose a full record of their convictions, although the forms made it quite clear that the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 authorised the Board to request such disclosure. There were 6 prosecutions by the police during the year for failure to disclose previous convictions, the same number as in 1981. Five applicants received written or oral cautions from the police for failing to make a full disclosure.

Duplicate certificates

78. Duplicate certificates are issued to replace those which have been lost accidentally or by theft. Certificates are also issued to women in their new name on the occasion of their marriage. During the year 32 such certificates were issued.

Statistics – 1982

79. Statistics for the year are given in the following table:—

Particulars of Certificates of Approval dealt with during 1982

Applications	Gaming						Bingo		Totals
	Managers and Supervisors		Operatives and Inspectors		Managers		England and Wales	Scotland	
	England and Wales	Scotland	England and Wales	Scotland	England and Wales	Scotland			
Carried forward from 1981	6	—	347	—	13	3	369		
Received during 1982	329	8	3,933	232	309	50	4,861		
Totals	335	8	4,280	232	322	53	5,230		
Certificates issued	262	5	3,345	208	276	51	4,147		
Old certificates reissued... ..	2	—	49	1	3	—	55		
Applications refused	1	—	4	1	—	—	6		
Applications withdrawn... ..	24	—	405	10	17	2	458		
Awaiting fee or under enquiry on 31 December 1982	46	3	477	12	26	—	564		
Totals	335	8	4,280	232	322	53	5,230		
Revocations*	7	—	12	1	9	—	29		

*Figures given refer to individuals. Because some of these concerned held more than 1 certificate, 59 actual certificates revoked.

GAMING MACHINES

Size of Industry

80. Those undertaking the sale, supply and maintenance of gaming machines require certificates from the Board under section 27 of the Gaming Act, but there is no requirement for certificate holders to provide us with information about the number of machines which they sell, supply or maintain. With certain exceptions, however, all machines used for gaming must be covered by a gaming machine licence issued by HM Customs & Excise under section 21 of the Betting and Gaming Duties Act 1981. We are indebted to HM Customs & Excise for the following figures, derived from their 73rd Annual Report for the 12 months ended 31 March 1982, which provide an indication of the number of machines then in use.

	<i>Number of machines covered by gaming machine licences for the licensing years:—</i>	
	<i>1981-82</i>	<i>1980-81</i>
Jackpot machines (as permitted on premises licensed or registered under the Gaming Act 1968)	43,300	41,300
Amusement-with-prizes machines (as commonly found in public houses, cafes, arcades and pleasure fairs)	134,700	121,000

81. The number of jackpot machines increased by 2,000 (5%). The number of amusement-with-prizes machines increased by 13,700 (11%). There are no details of the number of penny machines (on premises with holiday season licences) since these machines became exempt from duty on 1 October 1980. Nor are details any longer available of the number of 2p machines, since the duty on these machines was abolished, with effect from 1 October 1982, by the Finance Act 1982.

82. This Act also made the following changes to the annual levels of duty on amusement-with-prizes machines (in premises with local authority approval) and jackpot machines:—

	<i>From</i>	<i>To</i>
AWP machines	£60 for the first machine plus £120 for each subsequent machine	£120 on each 5p machine £300 on each 10p machine
Jackpot machines	£200 on 5p machines £400 on 10p machines	£300 £750

83. Machines are categorised as 2p, 5p or 10p machines according to the effective maximum charge for a single play. During the year, the Commissioners of Customs & Excise invited comment from interested parties as to the future form and structure of the duty on machines. We had made our observations by the year's end.

Use of 20p and 50p coins

84. The 20p coin was introduced during the year. We agreed with the British Amusement Catering Trades Association (BACTA) that the coin could be used as a play coin without the need for change to be given, provided that the maximum charge to play one game did not exceed 10p and that any gaming machine which accepted a 20p coin could also be played by the insertion of 10p or less.

85. The Board also agreed towards the end of the year to changes in the use of the 50p coin. Previously, such a coin could be used as a play coin only if not more than 10p was committed to play, with the balance of 40p being delivered in change. Following representations from BACTA, the Board decided to withdraw their objection to the use of the 50p coin to establish the chance to play more than one game. This decision was made on the understanding that the Board were not conceding that the £1 coin could be used as a play coin when it was introduced.

Charge for play and prize limits on AWP machines

86. Representations were received during the course of the year from the National Union of Licensed Victuallers and the Brewers' Society that there should be substantial increases in the charge for play and the prize limits on amusement-with-prizes machines. They favoured a three tier system, whereby a distinction would be made in permitted prize limits between machines in licensed gaming clubs, machines in premises with an on-licence, and machines elsewhere. Similar representations were received from BACTA. It was explained to the organisations concerned that such a fundamental change to the prize structure would require legislation.

Applications for certificates under section 27 of the Gaming Act

87. The numbers of applications received, and their disposal, are shown in the following table:—

	England and Wales	Scotland	Totals
Applications outstanding on 31 December 1981	97	12	109
New applications received	139	18	157
Totals	236	30	266
Issued	134	21	155
Refused	7	—	7
Applications withdrawn	38	4	42
To be determined or awaiting payment of fee on 31 December 1982	57	5	62
Totals	236	30	266

Renewal of certificates

88. 108 certificates reached the end of their 5 year life during the year. We were notified that renewal was not required for 26 of these. This left 82 renewals to be considered. The disposal of these applications, along with the 5 renewals carried over from 1981, is shown in the following table:—

	England and Wales	Scotland	Totals
Applications outstanding on 31 December 1981	5	—	5
Those applying for renewal during 1982 ...	74	8	82
Totals	79	8	87
New certificate necessary*	11	1	12
Certificates renewed	63	5	68
Applications withdrawn	1	—	1
Applications refused	1	—	1
To be determined or awaiting payment of fee on 31 December	3	2	5
Totals	79	8	87

*Where the nature of certificate holders' business had changed (e.g. from a partnership to a limited company) to the extent that a new certificate was necessary.

89. During the year we received 39 applications in respect of certificates expiring during 1983. By 31 December we had issued certificates in 23 of these cases.

Revocations

90. During the year 5 certificates were revoked.

Certificates in force

91. On 31 December there were 1,526 certificates in force, an increase of 121 compared with 1981.

Permits

92. Permits are issued free of charge for isolated transactions such as the disposal of unwanted machines by persons not normally in the trade, or for the maintenance of 1 or 2 machines. 20 such permits were issued during the year.

REGISTERED CLUBS

Registration under Part II

93. As a result of the Gaming (Amendment) Act 1982, applications for the registration of members' clubs and miners' welfare institutes under Part II of the Gaming Act may be made to the local registration authority at any time during the year. In England and Wales such applications must be heard at licensing sessions during the months of January, April, July and October and in Scotland at licensing sessions during January, March, June and October. In addition, a licensing authority may at its discretion hold sessions at other times during the year.

94. Registration lasts for 12 months in the first instance. Applications for renewal must be made not earlier than five nor later than two months before the date on which the licence is due to expire.

95. The following table sets out particulars of registration in the period 1 July 1981-30 June 1982. These figures are derived from returns submitted to the Board by clerks to licensing authorities in England and Wales and sheriff clerks in Scotland, as is required by Schedule 10 to the Gaming Act.

	England and Wales	Scotland	Total
<i>Initial applications</i>			
Granted	15	—	15
Refused	2	—	2
Not proceeded with	8	—	8
Not determined by 30 June 1982	—	—	—
Totals	25	—	25
<i>Renewal applications</i>			
Granted	385	5	390
Refused	—	—	—
Not proceeded with	12	—	12
Not determined by 30 June 1982	5	—	5
Totals	402	5	407

96. During this period, 29 registrations were cancelled in England and Wales.

97. The total number of clubs registered under Part II of the 1968 Act at 30 June 1982 in England and Wales was 701. In Scotland, it was 20.

Registration under Part III

98. Clubs or institutes may be registered with licensing authorities under Part III of the Gaming Act at any time of the year. The duration is for a period of 5 years from the date of registration.

99. The following table shows the disposal of applications between 1 July 1981 and 30 June 1982. These figures are derived from returns submitted by clerks to the local licensing authorities in England and Wales, and sheriff clerks in Scotland.

	England and Wales	Scotland	Total
<i>Initial applications</i>			
Granted	1057	60	1117
Refused	20	1	21
Not proceeded with	38	—	38
Not determined by 30 June 1982	8	—	8
Totals	1123	61	1184
<i>Renewal applications</i>			
Granted	1071	382	1453
Refused	10	—	10
Not proceeded with	49	1	50
Not determined by 30 June 1982	3	—	3
Totals	1133	383	1516

100. During this period, 356 existing registrations were cancelled in England and Wales. In Scotland 3 were cancelled.

101. The total number of clubs registered under Part III of the 1968 Act on 30 June 1982 in England and Wales was 20,066. In Scotland it was 2,066.

POOL COMPETITIONS ACT 1971

102. This Act, previously extended by order until 26 July 1982, was given a further year's extension by the Pool Competitions Act 1971 (Continuance) Order 1982.

103. The remaining six licensed pool promoters all continued to conduct competitions, and all renewed their licences for a further year.

104. We continued to exercise our powers under the Act to safeguard the interests of competitors, and to ensure the maintenance of the levels of benefit to the societies named in the certificates granted under the Act.

105. In March 1982 the Home Office circulated to interested parties a consultative paper on the future of the Act, requesting comments by the end of September. At the end of the year, this matter was still under consideration.

LOTTERIES

Increased monetary limits

106. We reported last year that, consequent upon the doubling of the monetary limits for lotteries in July 1981, fewer lottery accounts and applications for the registration of new schemes had been received than in the corresponding period in 1980. This trend continued during the year. Some local authorities ceased altogether to promote lotteries and a number of societies stopped running lotteries under schemes registered with the Board. Although the average proceeds for each lottery showed an increase over the figures given in last year's Report, the fees received by the Board nevertheless fell to the extent that they were no longer sufficient to cover the Board's costs, in spite of reductions in staff and increases in fees which took effect in September.

107. The Board understand that it had been expected that most lottery promoters would wish to take advantage of the doubling of the monetary limits for lotteries, and that most lotteries run under schemes registered with the Board would henceforth fall in the £10,000 to £20,000 range. The first of these expectations was realised to only a limited extent. The second was not realised at all. It seems that a large percentage of promoters were content with a £10,000 limit for short-term lotteries, and although many of them took advantage of the opportunity to raise the price of their tickets, most of the accounts received during the year continued to show proceeds of under £10,000. As a result, fewer societies applied for the registration of schemes, and many of those whose schemes expired during the year decided not to register further schemes, since lotteries of the size they wished to promote could be run under local authority registration.

108. Some societies interpreted the changes as meaning that, provided they did not promote lotteries with ticket sales of more than £10,000, they no longer had to send accounts to the Board, but could instead make returns to the local registration authority. While societies are now permitted to run lotteries with gross ticket sales of up to £10,000 under local authority registration, they cannot do so if the lotteries being promoted follow a scheme registered with the Board. This stipulation is understandably irksome to those societies who have a scheme registered with the Board which has some time to run before expiry, and whose lotteries are no longer large enough to justify registration with the Board. Lottery fees have to be paid to the Board for each such lottery, whereas no such fees are sought by the registration authority. There is however no provision in the Lotteries & Amusements Act 1976 to enable promoters to relinquish their registration with the Board.

Increase in lotteries fees

109. The Lotteries (Gaming Board Fees) (Amendment) Order 1982 came into effect on 27 September. It applies only to those lotteries where the total value of the tickets or chances which may be lawfully sold in each lottery does not exceed £10,000. (The maximum permissible fees set out in the Lotteries (Gaming Board Fees) Order 1981 for those lotteries where the value of the

tickets to be sold exceeds £10,000 have not been changed). The maximum fee payable on application for the registration of such a lottery scheme was increased from £40 to £50; and the maximum fee payable for each lottery promoted under the scheme was increased from £10 to £15.

110. The Board then determined with effect from 27 September that the fees actually charged within the permitted ceilings should be increased by 10% as follows:—

- (a) Where the value of tickets which may be sold does not exceed £10,000 (normally applicable only to local authorities):—

	<i>From</i>	<i>To</i>
	£	£
(i) fee on application for registration of scheme	40	44
(ii) fee for each lottery promoted (see note)	10	11

- (b) Where the value of tickets to be sold exceeds £10,000:—

(i) fee on application for registration of scheme	140	154
(ii) fee for each lottery promoted between £10,000 to £20,000 (see note)	20	22
(iii) fee for any other lottery (see note)	27	30

Note:— These fees are for each lottery where more than one lottery is conducted under a scheme.

Enforcement action

111. We issued one “minded to revoke” letter. In the event, the registration was allowed to continue, but the promoter was given a warning. Two “minded to refuse” letters were issued. In one case, registration was eventually granted following the issue of a direction by the Secretary of State. The other case had still to be determined at the year’s end. The decrease in such cases compared with 1981 is a reflection of the general decline in the number of lotteries registered with the Board.

112. Our staff were again involved in assisting the police with investigations into alleged lottery offences. Several visits were made to local police forces to provide assistance, and a number of witness statements were made.

Lottery sales

113. Tables 1 and 2 show the total number of lotteries promoted in Great Britain in the 18 months from 1 May 1981 to 31 October 1982 under schemes registered with the Board. The tables also show the total amount of money received from ticket sales, the amounts appropriated for expenses and prizes, and the balance which went to the causes concerned. The average proceeds for lotteries promoted in the 12 months to 30 April 1982 was £8,139 compared with

£7,351 for the preceding year. The average for the six months to 31 October 1982 was £9,013 as against £7,590 for the comparable period in 1981. With fewer lotteries being run, the increase is attributed mainly to the trend toward longer intervals between lotteries, which enable better sales to be achieved, and to the fact that those societies which are now registering with the Board tend to do so only if they intend the proceeds of each lottery to exceed £10,000.

114. Table 3 shows the total ticket sales for lotteries promoted in Great Britain from 1 May 1977 to 30 April 1982 under schemes registered with the Board. It also records the number of lotteries promoted in each year. The table shows the dramatic rise in lotteries in 1978/79, and the subsequent steady decline.

115. It is not yet clear whether the decline in the lotteries market will continue. It is expected that the decrease in the number of lotteries controlled by the Board will continue for some time yet, but the position is complicated by the number of societies who now promote their lotteries under local authority registration. It would be of interest to know the figures for those societies who were previously registered with the Board and are now continuing their activities in this way, but these figures are not available.

Number of schemes

116. On 31 December there were 875 schemes in force, a decrease of 38 compared with 1981. Societies accounted for 678 of these schemes, and local authorities 197.

Control of lotteries

117. We have commented in the past that "on the ground" visits by members of our staff played an important part in the control of lotteries, and provided us with practical experience of the lottery market and of the problems faced by promoters. We regret that, owing to financial constraints, we were unable to carry out any such visits during the year.

Off-shore lotteries

118. In recent years, the Board have become aware of the practice of selling instant lottery tickets aboard cross-channel ferries by companies specialising in this particular market. It would appear that the provisions of the 1976 Act have no effect outside British territorial waters, and that such lotteries are outside the Board's control. But if the lottery tickets are printed and distributed in Great Britain, and the lotteries are in effect being conducted from premises in this country, then it would seem possible that, as the lotteries do not fall within any of the exceptions provided for in the Act, offences under section 2 could have been committed. It is understood that the police are currently instigating proceedings against one cross-channel lottery promoter.

Free lotteries

119. In our 1980 Report we referred to the House of Lords ruling in the case of *Imperial Tobacco Limited and Another v HM Attorney General* concerning

the John Player "Spotcash" promotion, which was deemed to be an unlawful lottery. Since then there have been a number of other promotional schemes, notable among which have been the so-called bingo games conducted by the national newspapers which we mentioned last year. In general, promoters seem to have taken care to ensure that the opportunity to participate in the lottery was not dependent on the purchase of any goods, or the making of any payment beforehand.

TABLE 1

All lotteries promoted in England and Wales, and Scotland, between 1 May 1981 and 30 April 1982 under schemes registered with the Board

SOCIETY LOTTERIES

	Number of lotteries	Total ticket sales		Expenses		Prizes		Balance	
		£	(%)	£	(%)	£	(%)	£	(%)
England and Wales	5,046	43,489,770	(21.07)	9,161,516	(21.07)	17,320,184	(39.83)	17,008,070	(39.10)
Scotland	813	7,114,352	(21.32)	1,516,959	(21.32)	2,917,699	(41.01)	2,679,694	(37.67)
Total	5,859	50,604,122	(21.10)	10,678,475	(21.10)	20,237,883	(39.99)	19,687,764	(38.91)

LOCAL AUTHORITY LOTTERIES

	Number of lotteries	Total ticket sales		Expenses		Prizes		Balance	
		£	(%)	£	(%)	£	(%)	£	(%)
England and Wales	1,497	9,274,093	(23.14)	2,145,943	(23.14)	3,876,807	(41.80)	3,251,343	(35.06)
Scotland	29	226,819	(23.53)	53,373	(23.53)	87,994	(38.80)	85,452	(37.67)
Total	1,526	9,500,912	(23.15)	2,199,316	(23.15)	3,964,801	(41.73)	3,336,795	(35.12)
Total ALL lotteries	7,385	60,105,034	(21.42)	12,877,791	(21.42)	24,202,684	(40.27)	23,024,559	(38.31)

TABLE 2

All lotteries promoted in England and Wales, and Scotland, between 1 May 1982 and 31 October 1982 under schemes registered with the Board

Note: Figures are provisional and are based on accounts received so far.

SOCIETY LOTTERIES

	Number of lotteries	Total ticket sales		Expenses		Prizes		Balance	
		£	(%)	£	(%)	£	(%)	£	(%)
England and Wales	1,679	16,415,186	(20.76)	3,407,439	(20.76)	6,442,813	(39.25)	6,564,934	(39.99)
Scotland	287	2,587,900	(22.24)	575,421	(22.24)	1,072,949	(41.46)	939,530	(36.30)
Total	1,966	19,003,086	(20.96)	3,982,860	(20.96)	7,515,762	(39.55)	7,504,464	(39.49)

LOCAL AUTHORITY LOTTERIES

	Number of lotteries	Total ticket sales		Expenses		Prizes		Balance	
		£	(%)	£	(%)	£	(%)	£	(%)
England and Wales	518	3,386,142	(23.33)	789,999	(23.33)	1,449,667	(42.81)	1,146,476	(33.86)
Scotland	15	134,948	(23.42)	31,601	(23.42)	51,789	(38.38)	51,558	(38.20)
Total	533	3,521,090	(23.33)	821,600	(23.33)	1,501,456	(42.64)	1,198,034	(34.03)
Total ALL lotteries	2,499	22,524,176	(21.33)	4,804,460	(21.33)	9,017,218	(40.03)	8,702,498	(38.64)

TABLE 3

Total ticket sales and numbers of lotteries promoted between 1 May 1977 and 30 April 1982

	1.5.77 to 30.4.78		1.5.78 to 30.4.79		1.5.79 to 30.4.80		1.5.80 to 30.4.81		1.5.81 to 30.4.82	
	Total ticket sales	No. of lotteries	Total ticket sales	No. of lotteries	Total ticket sales	No. of lotteries	Total ticket sales	No. of lotteries	Total ticket sales	No. of lotteries
Societies	£m 9.59	1,297	£m 59.76	8,319	£m 65.41	9,174	£m 63.00	8,124	£m 50.60	5,859
Local Authorities	9.29	1,202	31.95	4,812	18.52	3,000	15.02	2,490	9.50	1,526
Total	18.88	2,499	91.71	13,131	83.93	12,174	78.02	10,614	60.10	7,385

INSPECTORATE AND ENFORCEMENT

Introduction

120. Mr C E Craik, Mr J McIntyre and Mr A C Stanway retired during the year. Mr. McIntyre and Mr. Stanway had been with the Board since 1970. A training course for four new inspectors took place. The Board are grateful to the Chief Constable of Greater Manchester for allowing the course to take place at the police training centre at Sedgley Park.

121. During the year, the Inspectorate gave 136 talks to the police and there were specialised gaming courses at Manchester, Durham and Hampshire. These short courses, which are run by the police with assistance given by the Board's inspectors, meet a demand for specialised training. For some, there was a waiting list for places. The high level of co-operation with the police continued.

122. The Board's inspectors made 2098 supervisory visits to casinos and 4099 supervisory visits to bingo clubs, as a result of which they issued 17 warnings to licensees for infringements of the law. They also made 439 inspection visits to certificated machine suppliers. Assistance was given to the police when they initiated 50 prosecutions for gaming offences and gave 50 cautions. Inspectors were named in 57 warrants granted to the police under section 43 of the Gaming Act 1968. Most of these warrants were for gaming on unlicensed or unregistered premises or for unlawfully supplying or using gaming machines.

Casino Gaming

123. In paragraph 133 of our 1980 Report, in relation to the entry of the Victoria Sporting Club on a warrant, we noted that one principal charged with possession of a controlled drug had yet to be dealt with. He appeared at the Central Criminal Court in January indicted with the drug offence and, together with others, conspiring to pervert the course of justice. Pleas of guilty were entered by the principal. He was fined a total of £10,500, sentenced to one year's imprisonment suspended for two years and ordered to pay costs of £6,000.

124. Paragraph 136 of our 1981 Report reported a warrant being executed at the Knightsbridge Sporting Club. As a consequence, four principals appeared at Wells Street Magistrates' Court on 29 June, charged with offences contrary to section 16 of the Gaming Act. They pleaded guilty and fines totalling £1,200 were imposed. Charges preferred against the other two principals were withdrawn.

125. In paragraph 137 of our 1981 Report we referred to the execution of a warrant under section 43 of the Gaming Act on the premises of the Olympic Casino. Four principals appeared at Knightsbridge Crown Court on 30 June 1982 charged with offences contrary to section 16 of the Gaming Act. They were convicted. One was fined a total of £4,600. The three others were fined £400 each.

126. The action taken by the police in conjunction with the Board's inspectors in respect of a number of casinos over the last five years has emphasised the

need for more detailed knowledge of accounting and auditing procedures in use at casinos. The Board's inspectors are devoting a considerable proportion of their time to these procedures.

Bingo

127. During visits to bingo clubs, the Board's inspectors were often faced with promotions run by licensees in the form of "free" games. The inspector had to make a decision whether the promotion was bingo or a lottery, and this was sometimes quite difficult. For example, one game was played using bingo cards, where participants were invited to fill in their own choice of numbers on blank duplicated cards. Numbers were drawn from the bingo "blower" and the winner was the person to have correctly forecast the first card to be completed with all fifteen numbers drawn. This clearly was a game where drawn numbers were forecast by the players and bore more resemblance to the American game of "Keno" than to bingo.

128. Another free game was introduced jointly by a number of clubs in which bingo cards were made available to both members and non-members. The game was not conducted in the normal manner with the caller announcing each number as it was drawn. Pre-drawn numbers were displayed at specified times both inside and outside the licensed premises, and claims made. This was, therefore, similar to "newspaper bingo". Legal opinions had been obtained by licensees that this "game" was a free lottery, and as such was permissible. The Board are well aware that the Inspectorate look forward to the day when a game of "bingo" is clearly defined by statute.

Gaming Machines

129. The Inspectorate, in conjunction with the police, investigated many cases of gaming machines being sited illegally; in some instances they had been supplied by operators who either were not certificated by the Board or had continued to supply machines after their certificate has been revoked by the Board. This concerted action resulted in a number of convictions, with heavy fines.

APPENDIX 1

REMUNERATION AND EXPENSES OF THE BOARD AND SENIOR STAFF

At the end of the year the Board consisted of a part-time Chairman and four part-time members. The remuneration of the Chairman was £10,180 a year, and that of each of the members £6,115 a year.

On 31 December the Board had 89 full-time employees. Of these, one was receiving a salary of £23,000 a year, five were receiving salaries between £15,000 and £20,000 a year and 33 were receiving salaries in the range £10,000-£15,000 a year.

Expenses incurred during the financial year ended 31 March 1982 amounted to £134,484. £680 was attributable to Board members and £133,804 to the staff.

APPENDIX II

LIST OF AREAS IN WHICH THE LICENSING OF CLUBS FOR GAMING OTHER THAN BINGO IS PERMITTED, SHOWING THE NUMBER OF LICENSED CLUBS OPERATING ON 1 JANUARY 1982 AND 31 DECEMBER 1982

ENGLAND						<i>1 January</i>	<i>31 December</i>
						<i>1982</i>	<i>1982</i>
LONDON	...	...	...	...	...	21	18
That area which is within the area specified in the Licensing (Metropolitan Special Hours Area) Order 1961—plus the remainder of the City of Westminster and the Royal Borough of Kensington and Chelsea.							
THE AREAS OF THE FORMER COUNTY BOROUGH, NON-COUNTY BOROUGH AND URBAN DISTRICTS OF:—						<i>1 January</i>	<i>31 December</i>
						<i>1982</i>	<i>1982</i>
BIRKENHEAD	...	...	...	...	...	1	1
BIRMINGHAM	...	...	...	...	...	5	5
*BLACKPOOL	...	...	...	...	...	2	2
BOLTON	...	...	...	...	...	2	1
BOURNEMOUTH	...	...	...	...	...	5	4
BRADFORD	...	...	...	...	...	2	2
BRIGHTON	...	...	...	...	...	2	3
BRISTOL	...	...	...	...	...	4	4
COVENTRY	...	...	...	...	...	3	3
DERBY	...	...	...	...	...	2	2
DUDLEY	...	...	...	...	...	1	1
GREAT YARMOUTH	...	...	...	...	...	2	2
HOVE	...	...	...	...	...	1	1
HUDDERSFIELD	...	...	...	...	...	1	1
KINGSTON-UPON-HULL	...	...	...	...	...	1	1
LEEDS	...	...	...	...	...	4	4
LEICESTER	...	...	...	...	...	3	3
LIVERPOOL	...	...	...	...	...	5	4
LUTON	...	...	...	...	...	2	2
LYTHAM ST ANNES	...	...	...	...	...	1	1
MANCHESTER	...	...	...	...	...	5	5
MARGATE	...	...	...	...	...	2	2
NEWCASTLE-UPON-TYNE	...	...	...	...	...	3	3
NORTHAMPTON	...	...	...	...	...	1	1
NOTTINGHAM	...	...	...	...	...	2	2
PLYMOUTH	...	...	...	...	...	2	2
PORTSMOUTH	...	...	...	...	...	2	2
RAMSGATE	...	...	...	...	...	1	1
READING	...	...	...	...	...	2	2
RYDE	...	...	...	...	...	—	—
SALFORD	...	...	...	...	...	1	1

*In addition, there is one club which is open for a maximum of nine months each year.

APPENDIX II—*continued*

						<i>1 January</i> <i>1982</i>	<i>31 December</i> <i>1982</i>
SANDOWN-SHANKLIN	...	...	...	...	...	2	2
SCARBOROUGH	...	...	...	...	...	1	1
SHEFFIELD	...	...	...	...	...	3	2
SOUTHAMPTON	...	...	...	...	...	2	2
SOTHEND-ON-SEA	...	...	...	...	...	2	1
SOUTHPORT	...	...	...	...	...	2	1
STOCKPORT	...	...	...	...	...	1	1
STOKE-ON-TRENT	...	...	...	...	...	1	1
SUNDERLAND	...	...	...	...	...	1	1
TEESIDE	...	...	...	...	...	2	2
TORBAY	...	...	...	...	...	1	1
WALSALL	...	...	...	...	...	1	1
WARLEY	...	...	...	...	...	—	—
WEST BROMWICH	...	...	...	...	...	—	—
WOLVERHAMPTON	...	...	...	...	...	1	1

WALES

THE AREAS OF THE FORMER COUNTY BOROUGHS OF:—

						<i>1 January</i> <i>1982</i>	<i>31 December</i> <i>1982</i>
CARDIFF	...	...	...	...	...	2	2
SWANSEA	...	...	...	...	...	2	2

SCOTLAND

THE AREAS OF THE FORMER COUNTIES OF THE CITIES OF:—

						<i>1 January</i> <i>1982</i>	<i>31 December</i> <i>1982</i>
ABERDEEN	...	...	...	...	...	3	2
DUNDEE	...	...	...	...	...	2	2
EDINBURGH	...	...	...	...	...	3	3
GLASGOW	...	...	...	...	...	3	3
						<hr/> 126	<hr/> 117

HER MAJESTY'S STATIONERY OFFICE

Government Bookshops

49 High Holborn, London WC1V 6HB
13a Castle Street, Edinburgh EH2 3AR
Brazenose Street, Manchester M60 8AS
Southey House, Wine Street, Bristol BS1 2BQ
258 Broad Street, Birmingham B1 2HE
80 Chichester Street, Belfast BT1 4JY

*Government publications are also available
through booksellers*

ISBN 010 231183 8