



Jersey Gambling Commission

Consultation Paper No.1 2021

A consultation on proposals to amend:

- 1. The amendment of the Policy Statement for the Conduct and Regulation of Social and Charitable Gambling to allow online lottery ticket sales.**
- 2. The amendment of the Policy Statement for the Conduct and Regulation of Social and Charitable Gambling to introduce a fee for amending Social & Charitable Permits.**

Social & Charitable Registration/Permit

Issued 8th October 2021

The Jersey Gambling Commission

The Jersey Gambling Commission is a statutory body corporate established under the Commission Law. It is responsible for the general supervision of gambling, including in particular, (i) supervision of providers of gambling services, and (ii) investigation of whether any person is complying with, contravening, or committing an offence under an enactment relating to gambling.

Guiding Principles

The Commission must, in the performance of all of its functions, have regard to the principles that any gambling services provided:

- should be conducted responsibly and with safeguards necessary to protect children and vulnerable people;
- should be regulated in accordance with generally accepted international standards to prevent fraud and money laundering, and should not be permitted to be a source of crime;
- and should be verifiably fair to consumers of those services.

The Jersey Gambling Commission invites comments on this consultation paper. Comments should reach the Commission by **9th November 2021**.

Responses should be sent to:

Consultation 1
Jersey Gambling Commission 4th Floor
Osprey House
5-7 Old St
St Helier
JE2 3RG

Office Email info@jgc.je Office Line 01534 828540

If there is any part of the consultation that you wish to discuss prior to making a decision regarding a submission then please use one of the contacts listed above.

Basis for a Consultation

The Commission is issuing this consultation in accordance with Article 5(4) of the Gambling Commission (Consultation on Codes of Practice) (Jersey) Order 2011, namely

- (4) An...amendment of a code is significant if, in the opinion of the Commission, it would significantly alter the effect of the code on –
 - (a) any burden imposed on providers of gambling services; or
 - (b) any protection afforded to consumers of gambling services.

The consultation is directed in particular charities, societies and clubs that have had experience of holding a Registration and Permit issued by the Commission. The consultation will be published on the Commission's website. Responses are also welcomed from other stakeholders, interest groups and the public.

Background

Jersey charities wishing to raise funds through gambling based events usually have to apply to the Commission for a Registration or Permit (this is dependent on the value of prizes). Until recently, the Commission allowed ticket sales to only take place in person as the most certain means of checking that the ticket purchaser is not under the age of 18.

In March 2020, at the start of Covid-19 Pandemic, Jersey went into a lockdown and most of the charities had to suspend their fundraising events, such as lotteries and therefore experienced a loss of income.

With wide access to the internet and new computer software, more activities have moved online or remote purchase has become an option, and the provision of lottery tickets from commercial operators is no exception to this cultural shift.

The Current Situation

At the time of writing this Consultation, the Covid-19 pandemic has endured for a year and a half. Charities have tried to devise different ways of running their fundraising events with the least amount of contact between people in order to prevent the spread of the disease. As fundraising through lotteries is one of the main sources of income, the best option during times of social distancing was to sell their tickets through an online platform. This method of ticket purchase is evidently here to stay and the Commission must adapt its policies and codes to reflect this reality.

As the restrictions introduced to deal the pandemic are eased, many charities will still want to sell lottery tickets online. Online sales can reach a much wider Jersey audience, the method removes, for instance, time and place restrictions e.g. a person selling tickets that can only be bought from 10am to closing in the Central Market. The provision of selling tickets online may also help with the charities audit trails as record keeping is paramount to ensure a successful promotion.

Proposal:

To extend the provision of online ticket sales to Registration status permissions.

The Commission is proposing to allow online lottery ticket sales but only when the promoter can make sure that the ticket purchasers are over 18 **and** are Jersey residents.

They can do that with either:

- a) Using ID verification software to check the purchaser's ID (for example YOTI); or
- b) In cases where charities have smaller budget and cannot afford to pay for YOTI or similar software, then they will have to make sure that the winner collects the prize in person and shows photographic ID.

The draw will need to be conducted with transparency and witnessed by persons not conducting the draw.

The Commission will not allow external (UK based) companies to manage the arrangements for charitable lotteries. However, companies licenced by the Jersey Gambling Commission may be used.

The Promoter will need to be aware that even though online ticket sales may seem more efficient, making mistakes with the online sale could have different consequences than selling in person (e.g. losing all the purchaser's details stored online, due to a system failure, website problem which is not recording data or payments properly etc.).

A Promoter will need to ensure that:

- The prize fund is between £1,500 and £12,000 per event and not exceeding £30,000 for annual combined events – this requirement principally defines what qualifies as a Registration.
- The Terms and Conditions of the raffle/lottery clearly indicate that no tickets will be sold to under 18s or non-Jersey residents.
- The tickets cannot be purchased on behalf of another individual.
- The online ticket sale platform collects full contact details, address and DOB for the purchaser, to ensure that the individual is a Jersey resident and over 18.
- A 'cut off' date for ticket sales is set, to allow enough time to prepare for the draw.
- There is no ticket duplication – each ticket must be unique otherwise the whole draw is compromised.
- No unsold tickets numbers are entered into the draw.
- The draw is conducted using a device that ensures a high degree of randomness, e.g. a tombola or drawing numbers out of a bucket. Those charities and societies seeking to use of 'off the shelf' or internet provided random number generators (RNGs) must undertake research to ascertain the devices they mean to use are bona fide.
- The draw needs to be independently witnessed. The whole process must be transparent and fair.

- There are means in place to verify that the winner is not under 18, before a prize is awarded and that the name, address and DOB coincide with ticket purchaser details, held by charity from sales data.
- If there is any doubt about the age, the winner needs to present a photographic ID.

Proposal:

The amendment Policy Statement for the Conduct and Regulation of Social and Charitable Gambling to introduce a fee for amending Social & Charitable Permits

The Commission also proposes to introduce an amendment fee of £25 for alterations requested by holders of a Charitable Permit. These amendments usually concern changes in promoter.

The Commission does not suggest an amendment fee for a Charitable Registration.

Matters to consider

Will your club/charity consider to sell raffle tickets online?

Do you think that selling tickets online will help your charity to raise more funds and reach bigger crowds?

Do you agree with the new amendment fee for Social & Charitable Permits?

Responding to the Consultation

The Commission invites comments, in writing, from interested parties on the content of this consultation paper.

Comments should be received no later than **9th November 2021**.

Next Steps

Following this consultation, the Commission will publish feedback and on the basis of this, how it means to proceed.