

# JERSEY GAMBLING COMMISSION

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## Promotional Lottery Licence

### Report on Proposed Fees

The Commission has a duty under Article 46 of the Gambling (Jersey) Law 2012 to determine and publish fees payable to it for:

- (a) *the performance by the Commission of any of its functions under this Law;*
- (b) *the submission of an application, report or other document to the Commission under this Law; and*
- (c) *the annual continuance of a licence, permit, approval or registration granted under this Law.*

The purpose of this notice is to prescribe fees for licences granted to businesses as a consequence of the adoption by the Commission, of the Promotional Lotteries Policy, published under the authority of Article 9 of the Gambling (Jersey) Law 2012.

In deciding the level of fees, the Commission will assess an appropriate level of regulatory oversight and consider the following factors:

- the element of risk;
- the impact on the Island in case of company or product failure, and
- the level of gambling as a percentage of total business.

The Commission considers this licence to allow for gambling as a marketing tool, that is, an ancillary function and not a part of a firm's core business. To that end, specific attention will be directed to the scope and prizes on offer to ensure that any promotion does not stray into what would ordinarily be considered commercial gambling.

The Commission will also generally seek to discuss its proposed fees with those directly affected and, if there is a recognised trade body, will consult with that body. In the absence of a recognised trade body the Commission may simply publish its Notice of Proposed Fees, which are then adopted 29 days later. In this instance, the Commission believes that the Jersey Chamber of Commerce is the correct consultative body.

### Application Fee: Promotional Lottery Licence

Applications across most licences are relatively similar and information requested by the Commission will be broadly the same. Given that this licence is not to offer gambling as a core service, the Commission requires fewer details, but will expect a senior official in the company to make a declaration that they have no criminal record. In the event that a company wishes to run a number of such promotions the Commission may choose to undertake further vetting of the applicant. Financial stability, regulatory sanctions and business experience of associate or applicant companies are also investigated to ensure that they can properly conduct such promotions.

The Commission operates on a cost-recovery basis and the fee is ordinarily expected to cover 2 days to process the application and undertake necessary reviews and checks.

### **Licence Fee: Promotional Lottery Licence**

The licence fee covers the cost of regulatory oversight during the life of the licence. The fee is annual and payable in advance. Typically the inspection regime will consider the company's oversight of the promotion, its terms and conditions and generally aim to ensure that its rules are fair and transparent. This may include but not necessarily be limited to;

- mystery shopping;
- a review of compliance and other procedures;
- any material changes since the licence was issued.

As per the application process, the Commission will maintain contact with the licence holder during the year, visiting premises, reviewing documentation and reporting as necessary.

So long as the key requirements for licensing have not changed during the period of the licence the Commission may, at its discretion, waive the application fee for a new licence on expiry.

### **Late Payment Fee**

Article 22(5) of the Law provides for a 28 day 'grace' period, after the start or subsequent annual anniversaries of a licence, and Article 22(6) revokes the licence at the end of the 28 days grace if the annual fee is not paid. Article 22(6) does not preclude the payment of fees owed to the Commission.

The Commission will consider applying a late licence fee under its powers under Article 46(4) on a case by case basis. The late payment fee is not compounded on the outstanding licence fee(s)

## **Promotional Lottery Licence**

### **Notice of Proposed Fees**

This being the first year that companies have been able to run promotional lotteries and consequently be subject to a regulatory regime, the Commission has decided to adopt the following fees:

**Application Fees: £50.00.**

**Licence Fee: For total prizes less than £10,000: £100**

**For total prizes between £10,000 and £100,000: £200**

**For total prizes in excess of £100,000: £500**

**Late payment Fee: 10% of the permit fee, pro-rata.**

The Commission will monitor the level of fees and whether they do, in fact, meet the costs of regulatory oversight and will make a determination after one year.