

JERSEY GAMBLING COMMISSION

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Jersey,
JE2 3RG



Licensing: Thrift Club 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 annual fees for licences granted to thrift club operators as a consequence of the provisions of Article 22 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 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.

Given that many current operators have never been subject to a regulatory regime and, recognising that the Commission understand the need to vary the level of regulatory oversight depending upon the circumstances of each club, the Commission will apply appropriate flexibility where it can. Thrift clubs have existed for many years and generally organise themselves as a collective saving scheme. The development over the last few years, however, of games like 'open the box' and increasing sales of lottery-type products to the public clearly tip Thrift Clubs into the commercial sector and as such, they must be licensed. It must be understood that running a Thrift Club (other than as a private members club) and offering gambling services to the public without a licence is a criminal offence subject to imprisonment for up to 5 years and a fine (Article 8(3)).

Application Fee: Thrift Club Licence

Applications across most commercial services are relatively similar and information requested by the Commission will be broadly the same. The Commission requires details of the individual(s) concerned, their criminal record checks, corporate experience and, where relevant, company details,

applicant details, together with details of other directors and officers that influence decision-making. Financial stability, criminal sanctions and business experience of associate or applicant gambling companies are also investigated.

The Commission operates on a cost-recovery basis and the fee is ordinarily expected to cover the time involved to process the application and undertake necessary inspections. It should also fund the drafting of a report and recommendation on the merits of the application.

Licence Fee: Thrift Club Operators

The licence fee covers the cost of regulatory oversight during each of the five-year life of the licence. The fee is annual and payable in advance. Typically the inspection regime will consider the operation, security and social responsibility of gambling operation to include, but not limited to;

- an assessment of the company or schemes operations;
- a review of compliance and other procedures;
- any material changes since the last meeting.

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 permit fee under its powers under Article 46(4) on a case by case basis.

If the Commission, after considering all the facts, applies a late payment fee, the fee will be set at 10%, applied pro-rata for each 28 days from the anniversary of the licence.

Scenario	
Licence Due Date	01/01/2013
Licence Fee	£150.00
Current date	15/01/2013
# days fee is due	15
Late Payment Fee (10% or 0.3571% per day)	0.3571%
Late Payment Fee	£ 8.03

NOTE: The late payment fee is not compounded on the outstanding licence fee(s).

Licensing: Thrift Club Operators Licence

Notice of Proposed Fees

This being the first year that thrift clubs have been subject to a regulatory regime the Commission has decided to adopt the following fees:

Up to £5,000: £25.00

Up to £10,000: £75.00

Over £10,000: £150.00

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.