



At the moment, no website that offers online casino, bingo or machine-style gaming can be lawfully established in the UK. This is one of the anomalies that the 2005 Gambling Act seeks to address.

Casino, bingo and machine gaming are not allowed online because current legislation (the 1968 Gaming Act and the 1976 Lotteries and Amusements Act) dictates that a customer must be present in the room in which gaming takes place. A bookmaker or betting exchange may accept bets remotely (for example, by interactive TV, Internet or telephone), but this relies upon on a permit being issued by the local licensing magistrate.

Tickets for society lotteries are also not permitted to be sold remotely as tickets must not be sold by machine under the current legislation.

However, British residents are free to play on overseas sites, and those sites can accept bets from British residents without breaking any British laws (although there are restrictions on advertising).

### **Future changes**

Once fully implemented in 2007, the Gambling Act 2005 will allow operators to provide remote gambling facilities using equipment based in Great Britain. The provision of remote gambling will be subject to the provisions of the Act and the regulatory regime to be determined by the Gambling Commission in consultation with the industry.

Remote gambling is defined in the Act as gambling in which persons participate by the use of remote communication, including the Internet, telephone, television, radio or any other kind of electronic or other technology for facilitating communication. To ensure that this definition of remote gambling is future-proof, the Secretary of State may, by issuing regulations, provide that a specified system or method of communication is - or is not - to be treated as remote communication.

An operator will be required to obtain an operating licence from the Gambling Commission and some key personnel will also have to obtain a personal licence from the Commission. The provision of facilities for gambling without obtaining an operating licence will be an offence if at least one piece of remote gambling equipment is situated in Great Britain, irrespective of whether or not the facilities are provided for use wholly or partly in the UK.

The Gambling Commission is currently working on the licence conditions and codes of practice, which will be relevant to the remote sector, and intends to consult on the draft conditions and codes in early 2006. As part of the licence conditions, the Commission will set technical standards, which must be met by the operators.