

Gaunt's Gaming

New Year, New Look!

Despite the weather spring is upon us...almost. What will the year hold? Leading high street bookmakers are currently quoting odds for the next election of 4/7 for victory for the Conservatives, 9/1 Labour and 13/8 hung Parliament.

In this issue we take a look into the crystal ball to consider what may be

ahead as well as a review of the latest gambling related issues.

You may have already noticed that the look of Gaunt's Gaming has changed, this is part of our rebranding process that also includes our new look website which includes plenty of useful information on Gambling and Licensing. Please have a look at:

www.john-gaunt.co.uk

When is a SWP not an SWP?

Following initial rumblings late last year the Gambling Commission and HM Revenue Customs have published a joint statement regarding machines which they consider provide players with a game of chance or, more importantly, appear to be a game of chance following the marketing of such machines by some manufacturers as a being skill with prizes machines (SWP) in an attempt to step outside of licensing control and Amusement Machine Licence Duty (AML) liability.

SWP machines are legitimate and these recent announcements should not have affected the industry overly. The manufacturer in question may have had issues with

specific games which should be dealt with appropriately. However recent indications from the authorities are that their net has been cast much further.

The statement focuses on the type of game played and not how it is described when considering whether the game is a "game of chance" and therefore liable to AMLD.

The statement goes on to confirm that a machine can only be classified as a SWP and therefore outside regulation where there is absolutely no element of chance to the game.

These machines, masquerading as SWP machines, are in fact deemed gaming

machines. In their SWP guise they will not satisfy regulatory standards for gaming machines and therefore cannot pass smoothly into this category. The advice from the HMRC and Gambling Commission is that any offending machines should cease operation immediately. The HMRC consider AMLD liability attaches to these machines and is retrospective for up to 3 years. Those utilising the machines have until 1st April to discharge this liability.

Operators who have SWP machines and are unsure whether they fall within the definition of a game of chance can call the HMRC helpline on 0845 010 9000.

NCLP Gambling

Our next NCLP Gambling courses are being held on the 20th April and 26th May, both courses will be held at our training suite in Sheffield.

This course is an invaluable tool in understanding Gambling

legislation whether you are working for the local authorities or in the gaming industry. Our pass rate for the NCLP (Gambling) is 100%.

For availability please contact Tim Shield on 0114 266 8664.

Further information about this and alternate courses is available in the training section of our new website.

The course lasts one day, commencing at 9.00am and lunch is provided.



Where's "Mystic Meg" when you need her?

As always Gaunt's Gaming is first with the news... the recession is officially over!! Recently published figures for the last quarter reported growth of 0.1%. Despite the weaker than expected figure the Chancellor backs his budget prediction of 1% – 1.5% for 2010 (although he seems to be in the minority). This news has also been supported by a reduction in unemployment figures. Official figures showed that the headline jobless rate for the three months to November fell 7,000 to 2.46 million, the first fall since the quarter ending May 2008. We have learned from previous recessions that unemployment is regrettably a lagging factor and is likely to increase before a more permanent downward trend is experienced.

With the election now widely expected for May what does the future hold for the industry and who would a change of government affect us?

If the Conservatives were to win

the next election they have indicated a desire to reduce the deficit (estimated at 63% GDP) in 2 ways, cutting bureaucracy and the costs of governing and raising more taxes. Although sound principles they are yet to fully expand on how this will be achieved. Reducing spending in the wrong areas, it is warned, may lead us back into recession, the dreaded "double dip" scenario.

Cameron has already indicated that there are too many portfolios in government and this would be a prime source of reducing costs. When one considers the candidates in the herd the DCMS looks like a particularly easy target. So, if the Gaming industry finds itself without a home where will it go? The options would appear to be the Home Office or a future incarnation of the DTI. The industry as a whole appears to prefer the latter, designed to deal with businesses, as opposed to a regulatory department such as the Home Office. Groups such as

BISL and other leading gaming bodies will surely be lobbying for the DTI should this become reality. Its eventual home will impact greatly on the immediate future for the industry. Will we be shackled by more and more regulation or encouraged to develop responsibly creating jobs and tax wealth in the ways the industry has historically?

Overall, whoever wins the next election will have some very serious decisions. "Quantative Easing" has long been considered a very dangerous weapon to fight the recession. Stop too early and it is useless, stop too late and inflation runs wild leading to increased interest rates. Should the new government fail to make the right decision regarding "Quantative Easing" or tax the general public too stringently both may spell disaster for an industry whose success is directly tied to the public's "disposable income".

We must wait and see.

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