

THE 3 CRUCIAL THINGS YOU NEED TO KNOW TO ENSURE YOUR OPERATING LICENCE APPLICATION IS A SUCCESS

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WHO YOU SHOULD READ THIS REPORT

- If you are new to the gambling industry and looking to start up your own business running an amusement arcade or supplying gaming machines to pubs and clubs or if you already work in the gambling industry and want to get your own Operating Licence
- If you are worried about the complexity of the application process; especially the amount and type of information that you have to include with your application
- If you are concerned about the time and money wasted if you get your application wrong



In this report we will explain:

- the 3 crucial things you need to know to ensure your application for an Operating Licence is a success
- why vital information included in your application paperwork can make all the difference to whether your application is successful
- how the presentation of the information can make all the difference

Once you have read this report I invite you to apply for a free 15 minute consultation with me to discover how to get an Operating Licence first time

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The 3 Crucial things you need to know to ensure your Operating Licence application is a success

Starting up a new business in the gambling industry is not easy, but once up and running there are plenty of rewards. Whether you intend to start from scratch or buy an existing business you will more than likely need an Operating Licence. The Gambling Commission are the industry regulators and they only issue Operating Licences to businesses that stand up to their scrutiny.



Many potential Operators start the online process without any advice and guidance and quickly find themselves bogged down by the information that the Gambling Commission demands, some of which is not made obvious in their guidance notes. Delays and frustration can follow, with some applications being rejected and others withdrawn up rather than the applicants attending the Gambling Commission headquarters to be scrutinised in person at a Panel Hearing.

The reason that applications get delayed or rejected is that the applicants don't know the 3 crucial things that will help their Operating Licence application succeed. In this report I am going to show you what those important things are and reveal how you can prepare the application paperwork so that the Gambling Commission accepts your application first time around.

The 1st crucial thing is a sound business plan

The Gambling Commission requires all applicants to submit a business plan which must include:-

- the reasons for the application
- what activities are to be undertaken
- where the business will operate
- how the business is to be funded
- financial projections for the business once it starts trading with a commentary on the assumptions behind the forecast



Preparing a business plan takes time and knowledge. It needs to be industry specific and provide enough information to persuade the Gambling Commission that the business will be financially sound, viable and able to pay out customers' winning.

Knowing what to put in the business plan is key to the success of an application and that is not easy to get right. Without a well prepared business plan there is a real risk that your application for an Operating Licence will be delayed or even fail. The financial consequences of a delayed application can be considerable especially where a lease has already been agreed and rent and rates are due with no income stream to cover payments.

The 2nd crucial thing is satisfactory proof of funding

The Gambling Act 2005 contains 3 licensing objectives:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable persons from being harmed or exploited by gambling

The Gambling Commission require applicants to demonstrate that their source of funding is not linked to criminal activities. This will mean producing a variety of documents including bank statements and loan agreements. Where the Commission has any doubts or concerns it will raise further enquiries and demand additional documentation. This is likely to lead to delays and ultimately if the Commission is not satisfied it will reject your application.



The 3rd crucial thing is a robust set of policies & procedures

The Gambling Commission requires applicants to submit a set of written policies and procedures that explain how they will uphold the licensing objectives set out in the Gambling Act. These must include details of how the applicant will comply with all the Licensing Codes and Conditions of Practice (LCCPs) that apply to the type of business that holds the operating Licence.



Applicants need to supply details of their terms and conditions and their ADR and MOSES providers. They also need to demonstrate how they will implement their policies and procedures as well as how they will review and keep them up to date with any changes to the LCCPs

Without a robust set of policies and procedures and regulatory compliance documents that contain all the information the Gambling Commission needs to assess the business capable of operating compliantly, your application will be rejected.

How can you make sure that your application for an Operating Licence will be successful?

It is not possible to give a 100% guarantee that the Gambling Commission will grant you an Operating Licence but the good news is that if you prepare your application paperwork taking the following into consideration your chances will be greatly improved.

First develop a sound business plan that demonstrates your business is capable of succeeding

This is one of the most crucial elements to a successful application.

When starting any new business, a sound business plan can be key to its success. A business plan should set out the business proposition, identify and potential issues, create goals and measure success it will therefore need to cover the business' objectives strategies sales marketing and financial forecasts.

Your business plan will demonstrate to the Gambling Commission that you have a clear understanding of the gambling industry and that your business is suitable to hold an Operating Licence. It must contain sufficient information to evidence a credible business proposition including a realistic set of financial projections for running the business for the first three years together with a commentary on the assumptions you have made. It should also provide adequate evidence to satisfy the Gambling Commission of the identity and ownership of the business and the competence of those that will be running it.

Preparing a business plan is does not have to be a headache and with the right help and guidance you can create a document that stands up to the Gambling Commission's scrutiny.

Second ensure you can demonstrate a legitimate source of funding for your business

With concerns about the gambling industry being used to launder money and support crime and terrorism, proof of financial integrity is paramount to a successful application.

The Gambling Commission's recently adopted policy is to reject incomplete applications; and historically many applicants have failed to provide them with satisfactory information with the initial application. Some applicants also struggle to provide sufficient evidence within the deadlines set out by the Gambling Commission when demanding more information.

Applicants will need to provide copies of bank statements for the business as well as audited accounts for limited companies already trading. Where the business plan has referred to business funding through accumulated personal wealth, loans from financial institutions or even private lenders, a clear paper trail evidencing all sources will be required. This will need to include the bank statements of any interested parties and loan agreements. The Gambling Commission will scrutinise the source of any funding from a lender that is not a financial institution

It is therefore in your business' interests to ensure all relevant information is documented clearly in one file which can be uploaded with the application when it is submitted.

Third, prepare a robust set of policies and procedures that satisfy the Gambling Commission that your business can operate compliantly.

The policies must explain how the business will specifically meet the licensing objectives for the sector relevant to the Operating Licence:-

- **keeping crime and disorder out of gambling**
- **ensuring that gambling is fair and open**
- **ensuring that children and vulnerable people are protected from being harmed by gambling**
- **promoting social responsibility in gambling**

The policies should contain procedures that will have to cover the Licensing Codes and Conditions of Practice (LCCPs) that apply to the relevant sector. These LCCPs are detailed and set out how a successful applicant will have to conduct its gambling activities. Failure to comply with the LCCPs may result in an Operating Licence being reviewed, suspended and even revoked. It is therefore important to ensure that all the requirements are covered together with details of keeping updated on changes to the LCCPs and staff training.

Whilst Bacta the trade organisation for the amusement arcade sector provide a toolkit for members, the Gambling Commission has indicated that this alone is not sufficient to demonstrate proficiency or compliance. Applicants will therefore need a bespoke set of policies drafted for the specific business' operating intentions.

NOW YOU UNDERSTAND WHAT IS NEEDED TO MAKE YOUR APPLICATION SUCCEED, WHAT IS YOUR NEXT STEP?

Getting the critical elements of your application right is fundamental to succeeding first time. By taking you through the application process step by step I can help you prepare for a successful application. I will show you how to draft a suitable business plan that incorporates all the important information that the Gambling Commission will want. I will advise you on what paperwork you need to provide to demonstrate that your business is funded legitimately and will not be a source of crime or disorder. And I will work with you to develop a set of policy and procedures that will meet the requirements of the licensing objectives and the LCCPs; that will stand up to scrutiny at the application stage and in the future.

If you are ready to start your own business in the amusement arcade sector or supplying gaming machines into pubs and clubs and you need to apply for an Operating and if you want to succeed first time then send me an email to info@houghandbollard.co.uk to request a free no obligation 15 minute consultation. Remember getting the application paperwork first time greatly improves the chances of you getting an Operating Licence first time

When Mike contacted us he had already signed a lease for a new arcade and had applied for an Operating Licence but was struggling with all the additional information that the Gambling Commission was demanding. In the meantime was liable for rent and rates and staff he had lined up were threatening to move on. We quickly assessed what was missing from his application and worked with him to prepare new documents to support a successful application. Subsequently the Gambling Commission has changed its policy and now automatically rejects any incomplete application

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I have been working with businesses operating in the non-remote gambling sector for over 10 years. I spent a number of years working as a solicitor acting for Clients across the country who operate gambling premises or manufacture and supply gaming machines. I understand the unique needs of the small independent operators and work with them to develop a successful application for an Operating Licence. I set up Hough & Bollard in 2016 and continue to work with many of my original clients. I am also proud to say that many of my new clients come to me on recommendation from existing clients.

What you will get from me is the help and advice you need to run your business; I have a practical, hands on approach to resolving issues quickly, efficiently and in a cost effective manner.

What my Clients say

"I engaged her services to apply for an operating license from the Gambling Commission, Debbie knew from the off that this would not be straight forward and was open, honest and transparent from the start. She has an unrivalled and exceptional knowledge of Gambling laws and legislation and could always steer me in the right direction. I cannot recommend Debbie highly enough I will be continuing using Debbie's services moving forwards and that itself, for me, is the best recommendation I can give."

Aman Goraya –Pure Gaming Limited

"We have used Debbie Hough Bollard on numerous occasions as she is very knowledgeable of the gaming industry. We have also recommended her services as a consultant to other operators as we are very confident of her professionalism and communications and know from past experience that she will put 100% into every job."

Darren Wyld & Sean Tee – Premier Gaming Limited

"Obtaining my operators licence was made so much easier with Debbie's expertise and guidance. I found I received a very swift, professional and friendly service for a very fair and realistic fee. I would highly recommend Debbie".

Jonathon Crystal BMJ Supplies Ltd

NOTES



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