

EXECUTIVE COUNCIL

PUBLIC

Title:	Falkland Gun Club – Exemption from Pool Betting Duty
Paper Number:	131/17
Date:	30th August 2017
Responsible Director:	Financial Secretary
Report Author:	Financial Secretary
Portfolio Holder:	MLA Roger Edwards and MLA Mike Summers
Reason for paper:	This paper is submitted to Executive Council: For policy update/information To meet a statutory requirement
Publication:	Yes
Previous papers:	163/15
List of Documents:	none

1. Recommendations

Honourable Members are recommended to approve exemption for the Falkland Gun Club from Pool Betting duty.

2. Additional Budgetary Implications

None

3. Executive Summary

3.1 Promotion of a pool will ordinarily require the payment of pool betting duty in accordance with section 4 of the Pool Betting Ordinance 1994. The Falklands Gun Club, wishes to be exempt from paying the pool betting duty. Permission from the Governor will be required. The Governor may grant such an exemption by order, and specific details of the intended event will need to be provided for every event that the Falkland Gun club intends to hold.

4. Background

- 4.1 Steve Dent was registered as a pool promoter under the Pool Betting Ordinance in April 2015. Under the Ordinance, Mr Dent will remain registered until such a time as his registration is revoked (either through application from him to the Financial Secretary or by the Financial Secretary upon certain circumstances). Therefore, no further permission is required for Mr Dent to carry out further events which fall under the definition of pool betting under the Pool Betting Ordinance; as long as the pool betting is operated in accordance with this Ordinance and the event is carried out within unlicensed premises.
- 4.2 The Pool Betting Ordinance (s.5) provides that no later than seven days after every pool betting event of which Mr Dent is a promotor takes place, he will be required to submit to the Financial Secretary a true balance sheet showing (a) all money received (b) all money paid for the provision of prizes (c) all donations made to the Falkland Gun Club; and (d) details of any expenses. As well as this, on the day following the event, a list of prize winners must be provided to the Financial Secretary.
- 4.3 Promotion of a pool will ordinarily require the payment of pool betting duty in accordance with section 4 of the Ordinance. However, if Mr Dent, on behalf of the Falklands Gun Club, wishes to be exempt from paying the pool betting duty then permission from the Governor will be required. The Governor may grant such an exemption by order, and specific details of the intended event will need to be provided by Mr Dent for every event that the Falkland Gun club intends to hold.
- 4.4 Exemption from paying this duty has been given on condition that all profits are applied to the Falkland Gun Club (being a club established and conducted mainly for the support of athletic sports or games).
- 4.5 The Law and Regulation Department have previously advised that if it is the case that Mr Dent intends to carry out Pool Betting events on a fairly regular basis and wish to be exempt from pool betting duty each time, then a more general long-term exemption order could be granted. It has been suggested that this matter will no longer be too unimportant for the Governor to sign off without prior consultation with Executive Council. This is because it would involve an indefinite commitment to waiver pool betting duty in this instance.

5. Options and Reasons for Recommending Relevant Option

- 5.1 To renew an exemption that is already in place that benefits sporting and recreational activity within the Falkland Islands. The alternative is to not to continue the exemption.

6. Resource Implications

6.1 Financial Implications

The £25 pool betting fee is the fee for registration as a pool promoter. This has already been paid and therefore Mr Dent will not need to pay this fee again for as long as he remains a registered promoter. Under section 4(1) of the Pool Betting Ordinance every

promoter shall pay to the Financial Secretary a duty of 10% of the aggregate staked in relation to every pool betting competition organised by the promoter.

However this pool betting duty is not payable if

(a) The Governor has granted an exemption under subsection (4), this provides that the Governor may by Order exempt any promoter from the payment of pool betting duty on condition that the profits are applied for such charitable, sporting or public purposes as are mentioned in the order.

(b) The profits of the pool competition are paid or to be paid to a charity or applied for a public purpose (as defined in the Ordinance).

5.2 The Falkland Gun Club held ten Poker Nights between August 2016 and June 2017. The total takings were £5,470 and 10% duty has been foregone (£547). Therefore approval for this exemption will result in lost revenue to FIG. However this has not been budgeted for and it is felt appropriate for FIG to support this charitable cause.

6.2 Human Resource Implications

None

6.3 Other Resource Implications

None

7. Legal Implications

7.1 There are no legal implications arising from this paper. The exemption from the payment of duty does not absolve the promoter from the need to present the information under section 5 of the ordinance and the protections for the promoter remain in place.

8. Environmental & Sustainability Implications

8.1 None

9. Significant Risks

9.1 None

10. Consultation

10.1 None

11. Communication

11.1 None