

# ISLE OF MAN GAMBLING SUPERVISION COMMISSION

Guidance  
Integrity Controls – Gaming (Amendment) Act

Version 1:1

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## Glossary

CRM	Customer Relationship Management system
DD	Due Diligence
DO	Designated Official
F&P	Fitness and Propriety
GAA	Gaming (Amendment) Act 1984
GDPR	The General Data Protection Legislation 2018
GSA	The Gambling Supervision Act 2010
GSC	Gaming Board
KYC	Know Your Customer
PDF	Personal Declaration Form
PEP	Politically Exposed Persons

## **Section 1**

### **The Gambling Supervision Commission (GSC)**

The GSC is an independent statutory board established in 1962 and comprises the Inspectorate and the Commission. The Inspectorate is made up of a team of Inspectors who manage a portfolio of licence holders. The Inspectorate is managed by the Chief Executive.

The Commission comprises of not less than five independent members of the public which have been appointed by the Isle of Man Treasury. The Commission sits once a month to consider regulatory matters and to consider licence applications, variations and transfers.

### **Introduction**

This guidance document is issued by the GSC to set out the personal information that is required when applying for a certificate or licence in accordance with GAA.

The GSC understands its responsibility to comply with Isle of Man data protection legislation and processes personal information within the boundaries of GDPR.

The GSC ensures that processing is fair; only processes what is required for it to satisfy its legal obligations; and is transparent to data subjects in explaining the purpose for its processing.

Further information regarding the processing activities of the GSC can be found on the [Privacy Notice](#).

## **Section 2**

### **Objectives of the GSC**

The regulatory objectives of the GSC are prescribed within Section 3 of GSA, notably to:

- Ensure that gambling is conducted in a fair and open way;
- Protect children and other vulnerable persons from being harmed or exploited by gambling; and
- Prevent gambling from being a source of crime or disorder; associated with crime or disorder; or used to support crime.

The Online Gambling (System Verification) (No.2) Regulations 2007 Section 2(1), specifies that before any gaming or a lottery is conducted by means of a system, the licence holder must produce to the Commission a certificate in writing issued by a party approved for the purpose by the Commission.

This means that any system (game) certificate must be certified by a test analysis facility that has been approved by the Commission.

For the Commission to consider the approval, it will require certain information which is detailed below.

### Section 3

#### Application for a Certificate of Premises

This is a certificate to allow the use of controlled machines. The holder of the certificate and the responsible person is referred to as the DO.

An application for a certificate in respect of a premises must be made to the GSC as prescribed in GAA schedule 1, Part I, paragraph 1.

To satisfy the GSC's legal obligations, it will require certain information during the application process. This information is requested on the Application for a Certificate of Premises form. The below table sets out the information requested:

<b>Information type</b>	<b>Purpose</b>	<b>Lawful basis</b>
Nominated Contact Person	The main point of contact for the GSC.	GAA schedule 1 paragraph 1(2)(a)
Name and address of Applicant Company	To make contact with the applicant Company during the application process and ongoing relationship.  Verification of company details using Companies Registries and online sources.	GAA schedule 1 paragraph 1(2)(a)
Shareholders and beneficial owners	GAA requires that shareholders and beneficial owner's details are specified.  To understand the structure and ownership of the Company.	GAA schedule 1 paragraph 1(2)(c)

Name and address of persons who have actual control of the premises (Designated Official)	For the GSC to know who has control over the premises.  To make contact with the persons during the application process and ongoing relationship.	GAA schedule 1 paragraph 1(2)(d)
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## Section 4

### Application for a Licence for the Sale and Supply of controlled machines

This licence is to permit the sale and supply of controlled machines in accordance with Section 5(1) of GAA, which specifies that no person shall sell or supply a controlled machine in the Island unless they are a holder of a licence issued for the purpose of this section by the GSC.

#### Application by a body corporate

To satisfy the GSC's legal obligations during the application process, it will require certain information, requested on the Application for a Sale and Supply of Controlled Machines form. This information is limited to that of the applicant Company, however the GSC will also require the contact information of the person making the submission.

This is to allow the GSC to understand if the application is being made a body corporate or a natural person, and to allow the GSC to contact the applicant Company accordingly.

#### Application by a person

If the application is made by a person, referred to in this guidance as the Applicant Person, schedule 3, paragraph 1(1) of GAA requires the GSC to be satisfied that the applicant person is a fit and proper person to sell or supply controlled machines. If different this will include the Company Director as the GSC considers this role to have control and influence over the sale and supply of machines.

In order for the GSC to consider this determination, the applicant person is required to complete a PDF. The information requested and purpose for doing so is detailed below.

## **Name address and contact details (including alias and previous)**

This information is to assist in the identification, verification and integrity investigation processes (KYC and DD) undertaken by the GSC and will allow the GSC to make contact with the applicant person throughout the relationship.

Some of the investigations the GSC performs may require your personal information to be shared with third-party agencies. Further information can be found in the third-party agencies section of this guidance.

## **Name address and contact details (including alias and previous)**

This information is to assist in the identification and verification process (KYC and CDD) and making contact throughout the relationship. This information may be used during integrity investigation process.

Some of the investigations the GSC performs may require your personal information to be shared with third-party agencies. Further information can be found in the third-party agencies section of this guidance.

## **Gender, place of birth and nationality**

The gender of the applicant allows the GSC to address the person appropriately. It may also be used during the identification process, should a bad actor attempt to impersonate the applicant person(s).

Information regarding place of birth and nationality allows the GSC to ensure compliance with any current sanctions and age restrictions.

## **Current and previous address information**

Information regarding a person's address is used during the integrity investigation process. It also allows the GSC to ensure compliance with any current sanctions.

## **Previous conviction information**

This information is requested so that the Commission can be satisfied as to the F&P of persons applying for a Licence to Sell or Supply Controlled Machines in accordance with Schedule 3, Section 1 of GAA.

Businesses conducting gambling which are licensed and supervised by the GSC, are noted as regulated occupations as defined under Schedule 1, Part 3(2) of the Rehabilitation of Offenders (Exceptions) Order 2018. The GSC will therefore request information regarding spent convictions for the purpose of satisfying its legal obligations, notably that the licensed Company is under the control and management of persons of integrity.

The PDF also provides an opportunity for applicant persons to provide information regarding pending prosecutions and investigations, barring or disqualification by a professional body or industry regulators. If an applicant would like to discuss this further, please contact the GSC.

Declaring a conviction is not an automatic bar to licensing, all matters are assessed individually with consideration given to risk, the nature of the Company and the role to be approved.

If an applicant declares a conviction, whether spent or not, the GSC will require further information in a separate communication. It is likely that an overview of the circumstances will be required for the GSC to consider if this is relevant to the application.

If considered relevant, information regarding the conviction will be retained on the persons file on the GSC secure network.

Further information on the process of DBS certificates can be located in the DBS section of this guidance document.

If the Commission requires you to provide further information relating to convictions, for the purpose it was originally collected for. The GSC will retain this information for the life time of the licence or for the duration of the person's involvement with the licence holder, plus 6 years.

Further information regarding the GSC Retention and Destruction Schedule, further details can be found on the GSC [Privacy Notice](#).

**The Table below details the F&P investigations performed by the GSC when considering a person's application.**

<b>Provider</b>	<b>Purpose</b>
Third-party open-source	Open-source adverse media searches
DSB certificate	Previous conviction considerations – are they relevant to the sale and supply of controlled machines
Photographic ID verification	Verify the identity of the person – KYC
Address verification	Verify the identity of the person – KYC



## Section 5

### Third-party agencies – what do we mean

In order to satisfy its legal obligations, the GSC is required to conduct investigations that it does not conduct itself as part of its normal business, and as such will utilise the services of third-party agencies.

The agencies referred to below will each provide a service within the GSC's due diligence strategy:

#### The Disclosure and Barring Service (DBS)

This is the service used to assist the GSC to make safe on-boarding decisions. DBS checks are commonly referred to as a 'criminal record check'. The GSC will request that approved roles relevant to the application for a Licence for the Sale and Supply of controlled machines will be required to provide a DBS certificate during the licensing and application process.

The GSC will never retain an original or copy of a DBS certificate; it will be used to confirm whether a DBS certificate confirms either a 'trace' or 'no trace' and will be recorded as such on the GSC's CRM system 'Atlas'. Trace meaning a conviction was provided on the certificate.

If considered relevant, details of the conviction will be recorded on the persons file and is held securely on the Isle of Man Government network. If not considered relevant to the application or the role, no record of the conviction will be made.

The GSC does not request the original certificate, however if this is received, the relevant information will be recorded and the original certificate will be returned to the applicant person. At no point is a copy of the certificate saved or shared. Whilst awaiting to be returned the certificate will be stored in the GSC locked and secured cabinet with access restricted to the Operational Support Team.

#### Risk management databases

During the on-boarding process, the GSC will undertake due diligence investigations in order to satisfy its legal obligations. The GSC uses reputable third-party risk management database providers in order to satisfy these obligations, which are detailed in the table below:

<b>Provider</b>	<b>Purpose</b>
World Check	Provides a database of PEPs and heightened-risk individuals
KYC6	Provides a service for document verification, open-source and adverse media searches

Lexisnexis	Provides open-source adverse media searches
Document Checker	Provides a database to review document authenticity

Each of the providers detailed in the table above help the GSC to identify and manage risk. The GSC maintains up-to-date data sharing agreements with each of these agencies.

Further information regarding the relative data-sharing agreements can be requested by contacting the GSC Data Protection Officer – please see the data protection section of this guidance.

## Section 6

### Causes for concern

The GSC considers F&P and integrity investigations as vital for its statutory obligations, not only for individual persons but also the applicant Company or licence holder.

The below list provides examples of matters that will cause concern to the GSC regarding a person's F&P, may cause delay or refusal of an application. This is not an exhaustive list and other matters may also be considered:

- ❖ Withholding information from the GSC;
- ❖ Providing false or misleading information to the GSC;
- ❖ Serious or repeat failings of GSC or equivalent off-Island requirements;
- ❖ Allegation, charge or conviction of a criminal offence;
- ❖ Evidence of association with criminal elements;
- ❖ Criticism made by a court, tribunal or enquiry;
- ❖ Settlements (including voluntary settlements and settlements in lieu of proceedings);
- ❖ Negative information received from law enforcement or other competent authorities;
- ❖ A disqualification or undertaking under the Company Officers Disqualification Act or equivalent off-Island legislation;
- ❖ Disciplinary or expulsion from a professional body or previous employer; and
- ❖ Evidence of engaging in illegal, deceitful, oppressive or improper business practices.

## Section 7

### Consideration of causes for concern

There are considerable implications of an individual not meeting the F&P considerations. The GSC adopts a balanced approach to its decision making based on a number of factors.

F&P is demonstrated through an individual's personal and professional conduct, and evidence provided to support their character. In assessing F&P, past actions or conduct that could indicate a lack of integrity, such as those that are dishonest or unethical, will require further consideration.

The GSC will consider identified causes for concern and make a determination regarding a person's integrity. The possible outcomes are that the GSC -

- ❖ is satisfied regarding F&P and appointment may take place/continue;
- ❖ is not satisfied and the appointment may not take place/continue; and
- ❖ has some concerns regarding a person's integrity and seeks to mitigate any perceived risk.

The following are factors for the GSC's consideration when making an integrity assessment –

#### **1. Honesty and cooperation**

The GSC strives for an open and honest relationship with the gambling sector. Licence holders, applicants and role holder are urged to proactively bring potential matters that may be of concern to the GSC's attention at the earliest opportunity and to cooperate in a timely and honest manner regarding any enquiries. Discovery of matters that were known but not disclosed will be taken seriously.

#### **2. The reliability of the source of information**

Information can come from a wide range of sources with varying credibility. The presence of adverse media is viewed neutrally by the GSC. Each point detected by the GSC will be compared against the declarations that people have made and the GSC will consider all supporting information that an applicant person provides.

The GSC will expect that the applicant or licence holder will have looked for adverse media in anticipation of the application, and have supplied their explanation, including any efforts at correction they have made.

#### **3. The seriousness of the matter**

Consideration will be given to whether the information can be categorised as rumour, allegation, charge or conviction (or equivalent for non-criminal matters).

Association with known miscreants is not an automatic bar to licensing, but the relationship must be exonerated i.e. be shown to be incidental to any wrong-doing and formal or informal influence.

Evidence of evasion of justice, where a competent authority has pronounced a sanction and the subject has fled, is highly prejudicial to the GSC in considering that a person is of integrity.

Integrity can also include whether a company pays taxes as is expected, or whether is registered as a bona fide business.

Multiple causes for concern are considered more seriously than a single instance.

#### **4. When the matter occurred**

Consideration will be given to the length of time that has elapsed since the matter occurred, including, in relation to criminality, whether a conviction is spent or unspent.

Matters that occurred in a person's youth or in a "previous life", prior to intervention or rehabilitation that caused a change in that person's outlook, would be less concerning.

#### **5. Relevance to the licence holder and/or role**

The GSC will consider all relevant circumstances on a case-by-case basis. The nature of any cause for concern and its relevance to the licence or proposed role of the person will also be considered by the GSC as part of its integrity investigations.

For example, a conviction for a driving offence or public order offence would be considered less relevant than a conviction for fraud or a drugs offence.

Individuals must disclose convictions, whether considered spent or unspent within the relevant forms and to the licence application.

All individuals proposed to hold approved roles are expected to ensure that the regulated business is conducted with integrity, by their conduct; their involvement in setting policies and procedures; and by providing appropriate supervision and training to others within the regulated activity.

Failure to do so, or failure to be open and honest with the GSC, will be considered relevant to an assessment of an individual's or company's integrity. This includes the failure to complete a form or supply information required in an honest manner, or the deliberate or negligent omission of any relevant information.

## **Section 8**

### **Decision-making process**

F&P considerations and investigations under GAA are performed by the GSC's Inspectorate who are employees of the GSC. Licensing decisions are made by the Commission during its monthly meeting.

If the Inspectorate declines to recommend a licence or certificate issuance be approved at a Commission hearing, the applicant can nonetheless request that the application be heard by the Commission.

In the event of negative information being found within the F&P investigations process, the Inspectorate will provide a case to the Commission stating their reason for not recommending the approval, for example that the appointment would carry an unacceptable risk.

The individual, however, may still be provided with an opportunity to present their case to the Commission who is independent from the Inspectorate. If successful, the Inspectorate will be over-ruled and the appointment will proceed as normal, subject to any additional measures or controls deemed appropriate.

## **Section 9**

### **Right of appeal**

The GSC considers itself fair-minded and is prepared to service any appeals to the Gambling Appeals Tribunal regarding licensing decisions made by the Commission in accordance with Section 7 of GAA.

Outside of this formal appeals process, complaints may be made in writing to the GSC's Chief Executive Officer.

## **Section 10**

### **Data Protection**

#### **Consent**

In accordance with Article 6 of the General Data (Application of GDPR) Order 2018 (GDPR), the GSC is processing personal data on the following basis:

- 1(c) processing is necessary for compliance with a legal obligation to which the GSC as a controller is subject; and

- 1(e) processing is necessary for the performance of a public task carried out in the public interest.

## Sharing

As noted within this guidance document the GSC will share personal information with selected third-parties where it is deemed necessary to do so in order that the GSC may satisfy its obligations under GAA.

For further information about data subjects rights please refer to the GSC’s Privacy Notice or alternatively please contact the GSC’s Data Protection Officer, details are provided below.

## Retention and Destruction

All information and categories of personal data are listed on the GSC Retention and Destruction schedule. This document details the type of information the GSC collects; the purpose for collection of the data including the lawful basis; the retention period; and whether there is any selection by the Public Records Office. This schedule has been designed to ensure the GSC’s compliance with GDPR.

All personal information referenced within this guidance document is stored on the Isle of Man Government secure network and CRM system Atlas.

All information is only used for the purpose it was collected for.

For further details regarding retention periods, or to request a copy of the GSC’s Retention and Destruction Schedule, please contact the GSC’s Data Protection Officer, details are provided below.

## Data Protection Officer and registration details

Data Protection Officer	Kristy Maxwell	<a href="mailto:DPO-GSC@gov.im">DPO-GSC@gov.im</a>
Registered Address		Gambling Supervision Commission, St Georges Court, Myrtle Street, Douglas. IM1 1ED
Isle of Man registration		R002347
Privacy Notice		<a href="#">Privacy Notice</a>