

Update on Problem Gambling

Report by the Head of Scrutiny

This report outlines the steps the Scrutiny Committee has taken to influence the law and policy on gambling to safeguard protections for people who might be at risk of problem gambling.

Background

On the 7th August 2018 this Committee held a Spotlight review using round table discussion with structured questions clustered around three themes:

- Prevention;
- Understanding when gambling becomes a problem;
- Identifying support available when someone is struggling with problem gambling.

This Spotlight review was established following concerns from Councillors on problem gambling. A report by Devon Public Health was presented to the Corporate Infrastructure and Regulatory Services Scrutiny Committee in January 2018, with suggestions from the Scrutiny Team as to how this issue could be constructively reviewed.

Devon County Council is not responsible for the direct provision of gambling establishments, however the impacts of problem gambling are highly likely to have an impact on spend on services for vulnerable people.

Recognising the role that scrutiny can have in bringing different agencies together to collectively problem solve, the scope of this spotlight review was:

- To understand the underlying causes of problem gambling and the challenges associated with problem gambling.
- To explore the ways in which DCC and partners could work together to prevent people who are at risk of problem gambling reaching crisis point.
- To identify the ways in which DCC and partners could work together to support people in Devon who have gambling addictions.

Since this time the Committee has continued to lobby government on its concerns. This paper details the progression of this dialogue.

Latest government position

On the 8th December 2020 The Culture Secretary launched a major and wide-ranging review of gambling laws to ensure they are fit for the digital age as committed to in the manifesto. This included commitments to the following:

- National Lottery minimum age raised to 18 to protect young people
- Online stake limits, gambling advertising and age limits to be considered
- Gambling Commission's role and powers will also be looked at
- Online restrictions, marketing and the powers of the Gambling Commission will be looked at as part of a call for evidence, to examine in detail how gambling has changed over the past 15 years. Protections for online gamblers like stake and spend limits, advertising and promotional offers and whether extra protections for young adults are needed will all be explored

The call for evidence will run for 16 weeks and will close on 31 March 2021. Changes around the National Lottery minimum age will be brought into effect by October 2021 at the latest.

Summary of DCC correspondence and impact

February 2020 – Letter to Nigel Huddleston MP

The letter outlined concern for problem gambling alongside an acknowledgement of a series of national initiatives. It asserted however that they do not address the underlying damage caused by gambling – particularly on vulnerable people and their families.

Recommendation	Addressed?	Response (March 2020)
Gambling online to not be possible	No	
Phase out fixed-odds betting terminals	No	
Risk-focused targeted advertising	No	Strict advertising controls for ‘non-broadcast advertisements’ are in place to reduce harm, enforced by the Advertising Standards Authority
Public Health to address mental health correlation with gambling (cf. video games, loot boxes, and impact on young people)	Partially	Significant increase in funding for treatment has been announced July 2019 by five large gambling operators; 1% of their profits, i.e. £100 million over the next four years.

Currently no plans to address these directly but currently considering a “review of the Gambling Act 2005 to make sure it is fit for the digital age.”

Additional “cross-government addiction strategy” to include gambling

Other work being done to reduce problem gambling, such as:

- From 31 March 2020, signing up to GAMSTOP is mandatory for all online gambling companies; this is a service that “allows individuals to self-exclude from all gambling operators in one go”
- Promotion of “targeted interventions” based on user data to minimise harm

September 2020 – Letter to Nigel Huddleston MP

The letter expressed disappointment at the “lack of concrete support when looking for solutions around problem gambling.”

Recommendation	Addressed?	Response (November 2020)
Urgent review of the Gambling Act 2005 to limit online gambling platforms’ predatory approach	Yes	“Currently finalising the scope of the...Review of the Gambling Act 2005” details forthcoming
Ensure stronger powers for the Gambling Commission	No	
Detailed steps to prevent targeted advertising (esp. for younger and high risk people)	Partially (detail not set out)	“Gambling advertising...must never be targeted at children or vulnerable people,” and the ASA / Gambling Commission can take action on breaches. Additional efforts are being made “to reduce the likelihood of gambling ads being served to children or vulnerable people online.”
Direct Public Health to address mental health issues around problem gambling (esp. children, loot boxes)	Yes	Problem gambling is complex and “tackling societal drivers of suicide, including problem gambling, is one of the priorities...of the National Suicide Prevention Strategy.” Regarding loot boxes / gaming; on 23 rd September an “8 week call for evidence” was launched including a focus on the harm levels of loot boxes. Steps expected early 2021.
Phase out use of FOBTs	No	
Require gambling bodies to contribute more than 1% of profits to treatment	No	

In addition the Commission launched a series of consultations on proposals for:

- minimum spin speed for online slot games to reduce play intensity
- more detailed requirements on operators to combat overspending by gamblers
- mandated senior oversight and accountability r.e. VIP Schemes

The September 2020 letter also noted the Scrutiny's discussion of:

- Proliferation of advertising by the gambling industry
- More information needed regarding expenditure on gambling rehabilitation programmes
- The pandemic's impact on problem gambling
- Some forms of gambling being acceptable in their minimum impact and pleasure for non-problem gamblers.

These were not formal recommendations and as such were not addressed.

Appendix – chronological correspondence



Phil Norrey
Chief Executive

Nigel Huddleston MP
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February 2020

Dear Nigel Huddleston MP

PROBLEM GAMBLING

I am writing to you on behalf of the Corporate Infrastructure and Regulatory Services Scrutiny Committee at Devon County Council regarding the issue of problem gambling.

The Scrutiny Committee feels compelled to place on record its members' continued and extreme concern regarding people who have a gambling problem and the wider societal impact caused. This issue has been considered at some length - holding a spotlight review in 2018, looking at what the County Council and partners have within their powers to act upon and exploring and discussing the issue in public committee. (Spotlight review report attached to this letter.)

The Scrutiny Committee acknowledges that, stemming from the recent update to the Gambling Act in 2018, there has been a series of national initiatives to support responsible gambling, including:

- age verification of gamblers
- identity verification of gamblers
- reduction of maximum stake on Fixed Odds Betting Terminals from £100 to £2
- in-match advertising for games starting before the 9pm watershed (does not apply to horse racing)
- An end to remote gambling on credit cards

The Scrutiny Committee has also been made aware of the Gambling Commission's publication in April of last year of its three-year National Strategy to reduce gambling harms. In addition, the January 2019 NHS Long

Term Plan includes an element directed at gambling and the expansion of NHS specialist clinics to help more people with serious gambling problems.

The Scrutiny Committee, however, asserts that these developments, while valuable, do not address the underlying damage caused by problem gambling and in particular the disproportionate impact that gambling harm has on the most vulnerable in society and their families. Despite efforts at a local level to understand the scale of the problem and to work cross-agency to put services in place, gambling related harm is increasing and it is noted that this is at a time when profits from gambling are also increasing.

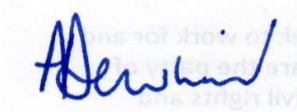
We welcome the Conservative Party manifesto pledge to 'make the UK the safest place to be online'. Devon County Council Scrutiny supports the extension of the remit of the Gambling Commission to cover 'loot boxes', a chance-based reward in exchange bought in online video games.

Problem gambling cannot be solved locally and the Scrutiny Committee therefore requests that the Government act nationally to tackle the escalating problem; specifically but not necessarily exclusively by:

- Moving to a position where it is not possible to gamble online.
- Taking detailed steps to prevent targeted advertising of gambling to the most vulnerable, including under eighteens, and those at higher risk of becoming problem gamblers.
- Acknowledgement and direction to Public Health to address the mental health and suicide correlation with problem gambling, particularly with children. To include the blurring of gamification of gambling for example with loot boxes.
- Phasing out entirely the use of fixed-odds betting terminals (FOBTs).

The Scrutiny Committee very much looks forward to your response to these issues and hopes that you find the attached report of interest.

Yours sincerely



Councillor Alistair Dewhirst,
Chair: Corporate Infrastructure and Regulatory Services Scrutiny Committee



Department for
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10th March 2020

Our Ref:
MC2020/02903/GM

Dear Cllr Dewhirst

Thank you for your February letter in which you shared your authority's report and provided several suggestions on how to reduce gambling harms.

The government is aware of the concerns around gambling and the need to reduce gambling harms, which is why there is lots of work going on around this issue. Please be assured that protecting people from harm is of the utmost importance to government.

Regarding your suggestion to ban online gambling, Fixed Odds Betting Terminals and targeted advertising, I understand the concerns around these but there are currently no plans to ban them. However, we are currently scoping a review of the Gambling Act 2005 to make sure it is fit for the digital age, and more details will be announced about that in due course. In addition, the Secretary of State for Health and Social Care, the Rt Hon Matt Hancock MP, has announced a cross-government addiction strategy that will be published this year, which will include gambling.

There is other work being done to reduce problem gambling. All online gambling companies must allow players to self-exclude from their own gambling products. From 31 March it will be mandatory for online operators to sign up to GAMSTOP (<https://www.gamstop.co.uk/>), which allows individuals to self-exclude from all online gambling operators in one go. This is an important protection for people who recognise that they have a problem with gambling. When a customer self-excludes through GAMSTOP operators must take all reasonable steps to prevent that individual from gambling, and they should receive no marketing material. Failure to comply can result in regulatory action being taken by the Gambling Commission (the commission), which regulates the UK gambling industry. Information on how customers can self-exclude from online gambling platforms can be found at:

<http://www.gamblingcommission.gov.uk/for-the-public/Safer-gambling/Self-exclusion.aspx>.

Alongside this the commission have challenged operators to make progress on the issue of affordability and on customer interaction where they see indications of gambling harms. As all online gambling is account-based, operators know who their customers are, and their patterns of gambling. This provides opportunities for operators to develop solutions that use customer



play data to identify and minimise gambling-related harm. The government considers that targeted interventions based on real-time analysis of customers' patterns of play is a key area of opportunity for online operators to develop, with the aim of implementing more effective approaches to customer interaction and harm minimisation. The commission has published guidance for operators outlining its expectations for customer interaction and harm minimisation. In July 2019, following a consultation, the commission announced stronger requirements for identifying and interacting with consumers, as well as evaluating what works.

On targeted gambling advertising, we have placed strict controls over the content of non-broadcast advertisements. Gambling operators who advertise in the UK must comply with the advertising code of practice issued by the Broadcast Committee of Advertising Practice (BCAP) and the Committees of Advertising Practice (CAP), which are enforced by the Advertising Standards Authority (ASA). They apply across all advertising platforms, including broadcast, online and social media. A wide range of provisions in the codes are designed to protect children and vulnerable adults from harm. More information on the gambling advertising CAP code can be found here: https://www.asa.org.uk/type/non_broadcast/code_section/16.html.

The gambling industry has its own advertising code – The Gambling Industry Code for Socially Responsible Advertising, which prohibits gambling advertising on television before 9pm, except for bingo and lotteries. In August the ban was extended to include 'whistle-to-whistle' broadcasts of pre-watershed live sport, starting five minutes before the event begins, and ending five minutes after it finishes. This also applies to live streaming of events online. Additional measures include an end to betting adverts in highlight shows and re-runs, and no bookmaker sponsorship of sports programmes screened pre-watershed. The code also bans free sign up offers before 9pm and requires adverts to feature a responsible gambling message for the duration of the advert. The code can be accessed here: <http://igrg.org.uk/wp/index.php/industry-advertising-code/>.

Turning to public health, if the gambling industry fails to provide sufficient funds for treatment services then all options, including a mandatory levy, would be considered. However, it is important to recognise the significant increase in funding for treatment announced by five large gambling operators in July last year. The tenfold increase, from 0.1% to 1% of their profits, will result in £100 million being spent on treatment over the next four years. They have also committed to engage with government, treatment providers and regulators on how these funds are spent.

The NHS's Long-Term Plan announced that the government will expand the number of specialist clinics to help more people with serious gambling problems access support services. This includes up to 14 new NHS clinics being opened nationwide, two of which have already opened in Leeds and Sunderland.

Yours,



Nigel Huddleston MP
Parliamentary Under Secretary of State for Sport, Tourism and Heritage



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September 2020

Dear Nigel Huddleston MP

PROBLEM GAMBLING

Your Ref:MC2020/02903/GM

Thank you for your thoughtful response received on the 10th March.

We, as the Corporate Infrastructure & Regulatory Committee, feel dutybound to reply to your letter outlining our disappointment in the apparent lack of concrete support when looking for solutions around problem gambling.

We ask you, again, to show your commitment to eradicating problem gambling by taking the following actions:

1. An urgent review of the Gambling Act 2005, as planned, to include significant limitations on the influence of the predatory approach of online gambling platforms.
2. Stronger powers for the Gambling Commission following the Public Accounts Committee description of this body as 'toothless'. ¹
3. Taking detailed steps to prevent targeted advertising of gambling to the most vulnerable, especially under eighteens, and those at higher risk of becoming problem gamblers.
4. Acknowledgement and direction to Public Health to address the mental health and suicide correlation with problem gambling, particularly with children. To include the blurring of gamification of gambling for example with loot boxes, which particularly appeal to younger people.
5. Phasing out entirely the use of fixed-odds betting terminals (FOBTs).

¹ <https://www.gov.uk/government/publications/gambling-related-harms-evidence-review/gambling-related-harms-evidence-review-scope> 30/04/20

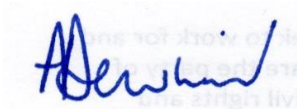
Problem Gambling is an addiction and needs to be treated as one. We certainly would not accept a drug cartel using this approach on national TV streams and online advertising. 1% of the gaming industry's profits for treatment clinics really will not get to the 'root causes' of gambling and we know that families are being ruined and lives are being lost through gambling and we cannot endorse the industry's approach. The digital world is ruthlessly encouraging accessibility to 24/7 gambling where people can lose a fortune in a work 'tea break'.

Please can you look again and demonstrate your leadership on an issue that increasing numbers of MP's are adding their collective concerns. Below are some of the comments that were aired at the last public meeting of our [scrutiny Committee](#):

- Your response did not address, issues relating to the proliferation of advertising by the gambling industry and indirect advertising before the watershed by TV coverage of horse racing;
- The need for further information relating to gambling related tax receipts and expenditure on rehabilitation programmes for problem gambling;
- The impact of the pandemic in terms of problem gambling;
- Noting that some forms of gambling were acceptable in terms of their minimum impact and pleasure it provided for non-problem gamblers.

Devon County Council Scrutiny intends to work with the Gambling Commission and the Centre for Public Scrutiny to continue to raise the profile of this important issue. We intend to be part of a proactive solution around problem gambling.

We look forward to your further thoughts on these matters,



Councillor Alistair Dewhirst,
Chair: Corporate Infrastructure and Regulatory Services Scrutiny Committee



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18 November 2020

Our Ref:
MC2020/21852/GM

Dear Alistair,

Thank you for your September letter calling for action to tackle problem gambling. I apologise for the delay in responding to you.

As I set out in my previous response, the protection of children and vulnerable people from the risks of gambling related harm is a priority for government. We are currently finalising the scope of the forthcoming Review of the Gambling Act 2005 and will publish further details in due course, but both the government and the Gambling Commission continue to take action in the mean time to make gambling safer. You may be aware that the Gambling Commission launched a series of consultations in recent months, on proposals which include a minimum spin speed for online slot games to limit the intensity of play, more detailed requirements on operators to check whether customers are spending more than they can afford, and mandated senior oversight and accountability around VIP schemes. This work builds on the fulfilment of our manifesto commitment to ban gambling on credit cards and action to cut the maximum stake on B2 gaming machines from £100 to £2.

Your letter lists a number of concerns for government attention. Some of these were addressed in my previous response and I do not have more to add on those issues at this stage. Where there is further or new information on matters you raise which maybe of interest to you I have detailed it below.

Review of the Gambling Act 2005

We are currently finalising the scope of the forthcoming review of the Gambling Act 2005. We will announce further details as soon as possible but I assure you that there will be an opportunity for you to feed in your views as part of that process.

The Gambling Commission

The Gambling Commission, as independent regulator of the gambling industry, has broad powers to keep gambling fair, open and crime free. These powers include the ability to suspend and revoke operator licences, and to impose fines of an unlimited value where operators are found to have acted irresponsibly or otherwise breached their licence conditions.



You mentioned the Public Accounts Committee's recent report on gambling regulation. You may be interested to know that the government's response to the committee was published in October and can be accessed here:

<https://committees.parliament.uk/publications/2926/documents/28144/default/>

Targeted advertising

You have asked that steps be taken to prevent gambling advertising being targeted at children and vulnerable adults. As set out in my previous letter, gambling advertising is subject to strict controls on content and placement. Adverts must never be targeted at children or vulnerable people and both the Advertising Standards Authority and the Gambling Commission can take action in the case of a breach of these rules. Guidance published by the Committee for Advertising Practice (CAP) and the Broadcast Committee for Advertising Practice makes clear that gambling ads must never appear in media created for children or for which children make up 25% or more of the audience. This applies to both broadcast media, including TV programs, and online.

In addition, at the Gambling Commission's urging, industry has recently committed to take additional action to reduce the likelihood of gambling ads being served to children or vulnerable people online. The latest edition of the Gambling Industry Code for Socially Responsible Advertising came into force at the beginning of October and requires that operators target ads only at those aged over 25 on social media, age-gate their Youtube content to exclude under 18s, and make efforts to ensure those who have self-excluded from gambling online or have been identified as potentially at risk of gambling harm be excluded from social media marketing activity. Further, industry body the Betting and Gambling Council has collated a comprehensive list of internet search terms often used by those looking for support or treatment for problem gambling, to ensure that vulnerable people using these terms are not served gambling ads. This built on existing rules on advertising during the day time and early evening on television, which mean only those products associated with the lowest rates of problem gambling like lotteries for good causes and Bingo can advertise before the watershed.

You may also be interested to know that CAP is currently consulting on strengthening rules on the content of gambling advertising for the protection of children and vulnerable adults. You can read more about that consultation and respond here:

<https://www.asa.org.uk/news/consultation-on-new-strengthened-rules-and-guidance-for-gambling-ads-to-protect-children-and-young-people.html>.


The impact of problem gambling on mental health

Problem gambling is a complex issue and the factors that contribute to its development vary from person to person. However, we know that there may be wider lifestyle factors associated with problem gambling that may link to poor mental health, and that problem gambling can create a cycle of debt that can also have a significant impact on mental health and wellbeing. Tackling societal drivers of suicide, including problem gambling, is one of the priorities highlighted in the fourth progress report of the National Suicide Prevention Strategy, published in 2019. The 2019 Cross-Government Suicide Prevention Workplan highlights work across government to explore the impact of problem gambling and suicide.

Loot boxes and gambling-like mechanisms in video games

The government is aware of concerns that entertainment products, such as some video games, could encourage gambling-like behaviour, and takes these concerns very seriously.

We committed in our manifesto to tackle issues around loot boxes and on 23 September we launched an 8 week call for evidence which includes a focus on whether loot boxes cause harm and, if so, the nature of the harm. This will put us on the best footing to take any action that is necessary. We expect to set out next steps early next year.



Nigel Huddleston MP
Parliamentary Under Secretary of State for Sport, Tourism and Heritage

