

Proposed amendments to the social responsibility provisions in the licence conditions and codes of practice for all operators (the LCCP)

Consultation responses template: summer 2014

LCCP 14/20

- 1.1** This template is provided for responses to the Gambling Commission's consultation on amendments to the social responsibility provisions in the licence conditions and codes of practice (the LCCP) for all operators. Please use this template if possible.
- 1.2** The templates leaves space for responses to all the questions asked in the LCCP consultation. However, we understand that respondents to the consultation may wish to answer only those questions which are relevant for their business, organisation or interests.
- 1.3** All responses should be sent by email to consultation@gamblingcommission.gov.uk by **Friday 31 October 2014**.

Alternatively, responses can be sent by post to:
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 Gambling Commission
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- 1.3** If you are responding on behalf of an organisation, please indicate which type of organisation:

Industry body		Regulatory body	
Government body		Charity	
Local authority		Help group	
Academic institution		Faith group (3 Churches working ecumenically on social justice issues)	X
Other (please specify)			

1.4 If you are responding as an individual, please indicate your own interest:

Chapter 3 of the consultation: access to gambling by children and young persons

Visibility and supervision of customers on gambling premises

Q1. What are your views on the proposed changes to social responsibility code provisions 3.2.1, 3.2.3, 3.2.5 and 3.2.7 which make explicit the requirement that the layout of premises must support and facilitate the effectiveness of policies and procedures to prevent underage gambling? (page 19)

We would agree with these measures. The layout of premises must assist the successful prevention of underage gambling. This should be tested with reference to the measures suggested in the relevant paragraphs and should include but not necessarily be limited to the changes suggested in paragraph 3.21, 3.23, 3.25 and 3.27

With respect to paragraph 3.23, implementing Think 21 for websites would be a useful step, though we would add that there are forms of social gaming online which, whilst not strictly gambling, are not far removed from it and have the potential to be gateways to it and similar measures should be considered for these.

Requirement to conduct independent test purchasing and submit test purchasing data to the Commission

Q2. What are your views on introducing a requirement via a social responsibility code provision for licensees to conduct underage test purchasing or to take part in a programme of test purchasing? (page 19)

We would support this strongly as part of a two-pronged approach where, as well as industry led test purchases, the Gambling Commission continues to conduct test purchases so that the two sets of data can be compared. The publication of these findings will play a major role in demonstrating the credibility of the effectiveness of the new LCCP provisions in preventing underage gambling.

Q3. Do you agree that small operators (category A and B) should be excluded from this requirement to conduct underage test purchasing? (page 19)

No. Smaller operators have been performed poorly in some previous test purchase exercises, so they should be included. This is particularly worrying as smaller operators are in many cases more likely to be accessible to underage gamblers than larger ones. This is not just a historic problem: the Commission's own test purchase exercise on smaller operators in 2013 showed the serious concerns around age verification in smaller operators¹.

Staff training and awareness

Q4. How can the Commission's existing social responsibility code provision (3.2.5) in relation to training staff in underage gambling responsibilities be improved and strengthened, using good practice in an ordinary code provision, to ensure that operators and staff maintain a constant vigilance and are better able to prevent underage gambling? (page 19)

¹ http://www.gamblingcommission.gov.uk/gh-press/news_archive/2013/underage_gambling_controls_mus/test_purchase_exercise_2013.aspx

We would hope that the Commission and the Industry can cooperate to identify good practice principles in training and performance evaluation, with a view to disseminating them in their near future.

These must specify the responsibility of shop staff to prevent underage gambling and of employers to provide training and implement improvements to performance where insufficient challenges have been found to have been made. This also applies to the areas mentioned in the current wording, i.e. returning stakes and not paying prizes to customers identified as underage, and challenging adults complicit in allowing a child or young person to gamble.

Think 25

Q5. What are your views on the potential effectiveness of a Think 25 policy for the prevention of underage gambling at premises (relative to the existing Think 21 ordinary code provision in the LCCP)? Should Think 25 replace Think 21 as a standard within ordinary code provision? (page 19)

Think 25 could potentially be an even better policy than Think 21 and we note the comparative case study drawing on the RASG's 'Challenge 25'. But assurance that aiming for Think 25 would not prove overambitious, and thus undermine the progress of Think 21, would be welcome. It is possible that Think 21 may be considered more appropriate than Think 25 in certain sectors, however for harder gaming environments Think 25 may be necessary. Therefore we would hope to see consistency in satisfactory implementation of Think 21 nationally, with the possibility of upgrading to Think 25 either in the broader context or in specific situations (such as Category B2 machines in betting shops) where potential harm is greater.

Specific measures for strengthening underage gambling controls

Q6. What are your views, in terms of costs, benefits and feasibility, for introducing each of the following measures at gambling premises? (page 20)

- a. permanent door supervision
- b. maglocks
- c. audio alerts or 'door chimes'
- d. CCTV
- e. additional staffing levels?

Each of these measures listed is appropriate in different contexts, and some premises will require several. But we would stress ensuring sufficient staffing levels as being relevant to most. We are particularly concerned at the existence of premises with only one member of staff, which are not calculated to make challenging and intervening with customers a simple matter.

We also believe that challenge on entry to adult-only premises would be a positive step. Clearly this would only be possible to shops with at least 2 members of staff, which is why we believe that it should be unacceptable for gambling premises to have only one members of staff.

Q7. Are there any other measures that the Commission could introduce into the Guidance to Licensing Authorities (or which licensing authorities could use as conditions on premises licences) that might be effective in preventing underage gambling? (page 20)

If the existing or proposed premises are based in an area which demographic information shows is likely to be easily accessible to young and vulnerable people, the demonstrable ability to enforce controls effectively should be a condition of its licence.

Advertising calculated to appeal particularly to young people should also not be permitted.

Acceptable forms of identification for age verification

Q8. Do you have any comment on the changes proposed for the ordinary code provisions relating to acceptable forms of identification (3.2.2, 3.2.4, 3.2.6 and 3.2.8) to include military identification cards and to make clear that other forms of identification may also be considered appropriate? (page 21)

We would agree with this measure, on the condition that the additional forms of identification be specified in the code. Failing this, too much onus is placed on shop staff to distinguish between legitimate and illegitimate from a potentially large variety of ID cards.

Chapter 4 of the consultation: Information to players on responsible gambling

General social responsibility messaging

Q9. Do you have any comments on the proposal to update social responsibility code provision 3.3.1 to ensure information is displayed prominently using methods appropriate to the size and layout of the premises, e.g. screens, links and smart technology? (page 25)

In principle, we would support this strongly, in particular for general social responsibility messaging. However, for play and product information, the danger of 'unintended consequences' should be born in mind, i.e. that the message displayed should inform and protect players for hazardous gambling, and not give perverse incentives to further risky gambling.

Q10. Should operators be required to actively promote social responsibility information? And if so, how? (page 25)

Yes they should. Evidently, this requires operators to have an ethos of social responsibility ingrained throughout their organisations. As well as impersonal messages such as posters or electronic communications, this should inform the training of staff so that they are empowered to intervene effectively, where customers are showing signs of potentially problematic gambling. This also implies a commitment to socially responsible advertising.

Play information and statements

Q11. What are your views on how play information could be provided to individuals? Please consider this in reference to (page 27):

- a. the merits of providing customers with information about their play
- b. the information that should be provided to players
- c. the form in which player information should be provided
- d. the accessibility and delivery of information
- e. the range of products it might be connected to

As stated above, we strongly support the principle of providing real time information to customers, in particular noting the well-known finding that problem gamblers commonly

overestimate their winnings². However we are also concerned that wrongly worded or timed, such information may actually lead to players chasing losses or showing other signs of harmful gambling. We would see this as particularly important for harder gaming machines.

There is potentially scope for information collected through loyalty cards etc. to be used to collect player data and to identify appropriate messages for customers

It should also be remembered that electronic information must not become a substitute for human intervention – repetitive, extended sessions of mechanical play can be a sign of problem gambling and electronic messages are not likely to give the necessary break or 'reality check' in the full sense of encouraging a moment of distance and self-reflection

As such, we would support Quaker Action on Alcohol and Drugs' (QAAD) analysis of the existing research base and from QAAD's suggestions note the following as particularly relevant to the above:

- Pop up messages that interrupt play and are displayed for a minimum of 15 seconds
- Messages that take up at least 75% of the screen

Product information: gaming machines

Q12. What simple, educational messages could be provided to players to allow them a better understanding of the gaming characteristics (RTP, volatility, odds of winning a jackpot) and how those characteristics may affect their experience of their own gaming sessions? (page 29)

We believe that simple information about the odds (by analogy with the National Lottery where customers easily grasp that each ticket is only one in several million etc.) is superior to complex information about return and real-time volatility which may support gamblers' over optimistic misunderstandings of probability. If research is able to identify a usable definition of the difference between a frequent / small return, and infrequent large-return games this would be helpful, as we are aware from the industry that customers have on occasion felt 'cheated' following losses on what they believed was a 'soft' and thus a safe machine.

Best practice should be identified, based on learning from of players' experience (e.g. an experience of grievance following information that they did not feel was fair). In addition, the possibility that fully understanding the odds and likelihood of winning may deter players from a particular game should not be used as a reason not to present clear and factual information.

Q13. Do you have any comments on whether advertisements for gaming machine jackpots should be accompanied by a clear statement as to the odds of a player winning that maximum prize amount (and how this might be best communicated given that the odds of winning that prize might differ by the amount staked and amount of time spent gaming)? (page 29)

We would support a clear statement of the odds in this case, as above, as far as is possible in view of the differences mentioned in the question.

Chapter 5 of the consultation: Customer interaction

Society lotteries

Q14. Do you agree with our proposals to change customer interaction requirements for non-remote society lotteries so that they focus on significant individual transactions? (page 34)

² <http://www.natcen.ac.uk/blog/do-industry-held-data-hold-the-key-to-gambling-policymaking>

No. Although we agree that focusing on significant individual transactions could be helpful, the proposal as currently worded would be unwise as it would send a signal that non-remote society lotteries are not of major concern to regulators. The concerns expressed about the Health Lottery showed that the society lottery framework can be used in ways that were not necessarily envisaged when the laws were formulated; this illustrates that the distinctive character of the society lottery should be guarded from the suggested change.

Q15. Do you agree that these changes should apply to all society lottery products or should different arrangements apply to scratch cards? (page 34)

Whether or not the above change is implemented, we would echo the concerns expressed on page 34: studies including the British Gambling Prevalence Survey of 2010 identified scratch cards as potentially more associated with problem gambling than ordinary low value lotteries³. Any liberalising of the rules around society lotteries (if these are in fact adopted) should not include scratch cards.

Proposed amendments to the social responsibility and ordinary code provisions

Q16. What are your views on the proposal for a specific provision to be added to social responsibility code provision 3.4.1 (customer interaction) about making use of all relevant sources of information to ensure effective decision-making and to guide and deliver effective customer interactions? (page 35)

Our denominations would strongly support this proposal and advise that 'all relevant information' include but not be limited to what is stated on page 34.

Some other aspects might include knowledge and experience of particular regular customers, who may be behaving in a notably different way, and also best practice from treatment providers regarding signs of problematic gambling.

Q17. What are your views on the proposal for a specific provision to be added to social responsibility code provision 3.4.1 (customer interaction) about interacting with customers demonstrating signs of agitation, distress, intimidation, aggression or other behaviours that may inhibit customer interaction? (page 35)

We would support this and we think the LCCP could go further and include specific markers of problem gambling, (especially as these may also include behaviours that make intervention challenging for staff). We note the Gambling Behaviour Checklist for EGM in Australia which mentions

- gambling through mealtimes
- finding it difficult to stop at closing times
- putting large wins back in the machine
- often gambling for three or more hours without a break
- gambling very fast; avoiding staff;
- gambling intently without reacting to what is going on around them.

Many of these, or other relevant criteria, come into the category of 'common sense', but we believe

³ <http://www.gamblingcommission.gov.uk/PDF/British%20Gambling%20Prevalence%20Survey%202010.pdf> p96

that including a baseline set of behaviours will empower shop staff, and make intervention and performance review much easier. We also note that this will provide important assurance to staff that intervention is appropriate as, in some cases, the markers will be similar to those of a 'good customer' – i.e. someone who regularly gambles in a particular premises spending significant amounts of time and money.

- Q18.** What are your views on the proposal for a new ordinary code provision inviting operators to
- work together to share experience and deliver good practice across the full range of social responsibility requirements
 - keep a record of customer interactions, and where the intervention has been ruled out, the reasons for this
 - keep a record of where an interaction has taken place at a later date? (page 35)

We would strongly support these proposals.

Chapter 6 of the consultation: Gambling management tools

Time and monetary limits – category B gaming machines

- Q19.** What are your views on the introduction of a social responsibility code provision which would require customers to set time and/or monetary limits before playing B2 machines in betting shops, including when used to play B3 content? (page 38)

We support this, as well as the possibility of refining and improving pre-commitment frameworks as experience may dictate.

We have previously indicated our support for a one-stop shop for self-exclusion. Likewise, we would like to see mechanisms for enabling pre-commitment across different forms of gambling both physical and remote.

- Q20.** What are your views on extending such a requirement to category B machines in other gambling environments (e.g. B1 or B2 machines in casinos or B3 machines in arcades or bingo halls)? (page 38)

This would be a helpful measure, especially for B3 machines in bingo halls, which are traditionally perceived as a softer gaming environment. This should be accompanied by recognition that it is no longer feasible to regard category B3 and B4 machines as considerably softer forms of gambling than B2 machines, due to their current stakes and prizes, and widespread availability. It follows that all Category B machines should require pre-commitment.

- Q21.** Do you consider that the Commission should amend its gaming machine technical standards to impose mandatory caps on time and/or monetary limits? If so, what should the cap be for a) time and b) money? (page 38)

We would support mandatory caps for time and money. We are not aware of research that has identified appropriate levels, so we would urge that this is conducted so that the caps can be implemented

One important factor in specifying monetary limits is income. General criteria could be set against national median income, as a percentage of that income, for example a measure of disposal

income as defined for those of low to middle incomes. Where operators have a major presence in deprived areas, social responsibility compliance should involve recognition that the median income will be considerably lower.

Q22. What should happen once a pre-commitment level has been reached? (page 38)

This will depend on the level of pre-commitment and potentially the previous history of the player. As such, action should be decided on a case by case basis by staff following the relevant guidelines.

'Time outs'

Q23. What are your views on the introduction of a social responsibility code provision which would require remote operators to offer their customers a 'time out' facility? (page 39)

We would welcome this, as part of broader effort to identify and guard against unsafe patterns of play.

Q24. What are your views on the suggested durations of the 'time out' periods to be offered? (page 40)

We would broadly support the proposal of time out periods of 24 hours, one week and one month. In general, the longer periods should not be overused initially, or their effectiveness may be lessened.

There should also be provision for longer breaks for hazardous and problem gamblers.

Exclusion by product

Q25. What are your views on the introduction of an ordinary code provision suggesting that remote operators should offer the facility to players to exclude themselves from particular product types? (page 41)

We would not support this. It is true that gaming environments which feature a range of products from softer to harder gaming, where players may unexpectedly find themselves getting into difficulties but that would be more efficiently dealt with by preventing the encroachment of harder gambling into traditionally soft venues. It is also true some gamblers may find they develop a particular problem with one form of gambling.

However note that the industry has often stated that problem gambling cannot necessarily be laid at the door of particular gambling types, as many problem gamblers use multiple forms of gambling.

It is important that self-exclusion exist as a strong framework for people who have developed a problem with gambling. But this measure would distract from the issue of whether an individual's gambling has become problematic and undermine the ability of self-exclusion to help problem gamblers control their gambling.

Financial limits (RTS 12)

Q26. Do you agree with the Commission's proposal to ensure that remote gambling customers who have reached their financial limit and wish to raise it are given a further reality check by being required to reconfirm at the end of the 24 hour cooling-off period that they still wish to

increase their limit, rather than allowing the limit to be increased automatically at the end of the 24 hour cooling-off period? (proposal to amend RTS requirement 12B) (page 43)

Yes.

Q27. Do you agree with the Commission's proposal to amend RTS 12A implementation guidance to specify that customers should be able to choose a financial limit over a 24 hour, 7 day and one month period? (page 43)

Yes.

Time requirements and reality checks (RTS 13)

Q28. Do you agree with the Commission's proposal to extend RTS 13 to include the requirement that customers be offered the facility to set reality checks such as displaying time elapsed since the start of the gambling session? (page 44)

Yes, as long as the 'reality check' includes a real break in play as well as information about the play session. However, it is arguable that reality checks should be mandatory (at least, beyond a certain time / spend during a session) rather than the discretion of the customer.

Q29. Should the reality check also include information relating to their gambling activity such as balance, win or loss during the session? (page 44)

Yes, with the caveat already mentioned that the presentation of this information should not have the perverse incentive of encouraging further hazardous gambling such as extended play periods or chasing losses.

Q30. Do you agree that new requirement (RTS 13B) relating to reality checks should only apply to casino and machine style games (including bingo but excluding peer to peer gaming)? (page 44)

We disagree. Peer to peer gaming should definitely have some form of reality check, although it may need to be applied differently to other forms of gaming.

Controls on auto-play functionality (RTS8)

Q31. Do you agree with the Commission's proposal to amend its auto-play requirement to require at least the setting of a loss limit if the player is offered the auto-play option and to increase the number of auto-plays allowed? (page 46)

We would support setting a loss limit. However, it is far from clear that increasing the number of auto plays is a safe proposal, in view of concerns about the role of repetitive play in problem gambling. In principle we would prefer to see auto-play facilities reduced rather than increase.

Q32. Are you aware of any other potentially helpful gambling management tools that are not covered in this section? (page 46)

Not in detail. Our expectation when the machine research was first announced was that this is exactly the kind of data that would be provided by the research and we look forward to the development of effective algorithms for identifying problematic play as a priority

Chapter 7 of the consultation: Self-exclusion

Multi-operator self-exclusion

Q33. What are your views on the Commission's proposal to introduce a new social responsibility code provision requiring remote gambling operators to participate in a national online self-exclusion scheme? (page 51)

We would strongly support this.

We believe that ownership of the self-exclusion list should be specified in the code. Our preference would be for the list to be owned and managed by the Gambling Commission. We are aware there has already been some debate on this issue, but for reasons of both practicality and transparency, we believe the Commission is best placed to run this operation which will require major coordination of physical and online gambling environments.

Q34. Do you agree that all non-remote gambling operators should be encouraged to participate in the development of multi-operator self-exclusion scheme by the introduction of a new ordinary code provision? (page 51)

Yes. It is especially important that this operates efficiently in local areas with high numbers of gambling operators.

Q35. Do you have any comment on the Commission's proposals to require all non-remote business to customer operators to offer customers the ability to self-exclude from operators, within their sector, in the customers local area by October 2015 and cross-sector by October 2016? (page 51)

We would support this as a proportionate and realistic time frame.

The risk of proxies being used to break a self-exclusion agreement

Q36. Do you agree that the Commission should introduce as social responsibility code provision a requirement that operators' have policies and procedures in place that effectively address the risk of proxies being used to breach a self-exclusion agreement and to clarify that a self-exclusion should cover exclusion both from gambling and from entering premises? (page 56)

Yes.

Photographs

Q37. Should the Commission clarify that a photo must accompany every self-exclusion agreement? (page 56)

Yes. It would seem logical that the operators administer the taking of the photo.

Staff training

Q38. What are your views on making staff training on self-exclusion more explicit in terms of providing information on self-exclusion to customers, and on the process of clearly administering and implementing the self-exclusion agreement? (page 56)

We would welcome this, as it will give consistency and assurance to the industry that training in explaining self-exclusion to customers is an important part of any self-exclusion framework.

Risk assessment of those excluding from gambling

Q39. What are your views on the proposal that operators should develop risk based systems so that venue staff are informed about which self-excluded individuals are most at risk of attempting to breach in their venue? (page 56)

We would support this, as long as the risk based systems do not have the effect of deterring proactive staff interventions but are used to inform effective interventions.

Signposting

Q40. Should there be an explicit requirement through a social responsibility code provision for operators to signpost to support services those who have chosen to exclude? (page 56)

Yes, this should be a matter of course.

Minimum period of self-exclusion

Q41. Should the Commission make it a requirement that the minimum self-exclusion period is 6 months by promoting this existing best practice guide from ordinary to social responsibility code provision? (page 56)

Yes: self-exclusion would be very appropriately situated in the social responsibility code provision.

Self-exclusion agreements that last beyond 12 months

Q42. Should the existing ordinary code requirement to offer customers to extend their self-exclusion period to 5 years be reduced to 3 years? (page 57)

No. We are not aware of research demonstrating that a 3 year self-exclusion period would be more effective, so the current 5 year period should be maintained

Q43. To aid the identification of self-excluded individuals, should someone who wishes to self-exclude be informed when they enter a self-exclusion agreement that their exclusion will not receive the same priority after 12 months unless they actively renew it? (page 57)

No. We support the premise the Commission has expressed that it is for the Industry to demonstrate proactive commitment to self-exclusion, and this measure is a step in the opposite direction.

Q44. Do you agree with our proposal to remove the words 'where practical' from the existing ordinary code provision about the facility to self-exclude without having to enter premises? (page 57)

Yes: on the understanding that 'impracticality' should not be a pretext for inaction and that the revised wording implies that strong default assumption that this is (and must be) practical.

Methods of excluding - remote

Q45. Should the Commission make it a requirement that remote gambling customers must be given the opportunity to self-exclude by means of an automated process as well as by contacting customer services by promoting this existing good practice guide from ordinary to social responsibility code provision? (page 59)

Yes. Electronic and personal means of self-excluding should both be offered as each may be more accessible to some gamblers than the other.

Duration of self-exclusion

Q46. Do you agree that for remote and non-remote, the minimum self-exclusion period offered must be no less than 6 months and no more than 12 months? (page 59)

Yes, as long as this did not limit the possibility of initial self-exclusion periods of greater than 12 months. The minimum period of not less than 6 months seems sensible.

Chapter 8 of the consultation: Local risk assessments

Q47. What are your views on the concept of a local and premises-based assessment of risks to the licensing objectives? (page 62)

We are strongly in favour of the principle of local and premises-informed assessment. This must be taken forward alongside parallel, national codes for social responsibility. Criteria for engaging with and responding to local assessment should be defined corporately by operators.

However, the wording of this proposal raises an important question, as it only applies to new premises or those undergoing variation of an existing licence. We would raise the objection that this ignores the many already existing premises that may require risk assessment. This raises the issue of consistency. Since it is entirely possible that existing premises would not have been licensed if they had undergone a risk assessment originally, there are liable to be two kinds of premises – those that underwent an adequate risk assessment and those that did not. This risks creating inconsistency in evaluation of operators' social responsibility. As some form of local risk

assessment would seem to be necessary, we would advise that a means of assessing existing premises be found, as part of its licensing conditions.

Q48. What are your views on the proposed new social responsibility code provision on assessing local risk? (page 62)

We would strongly support this. It should be accompanied by guidance for premises to understand changing local demographics and risk.

Q49. What are your views on the proposed new ordinary code provision on seeking advice from responsible authorities on assessing local risk? (page 63)

We would support this, and we have supported similar measures in the case of alcohol-related harm.

Chapter 9 of the consultation: Annual Assurance Statement

Q50. What are your views on the Commission's proposal for the introduction of a licence condition to require the largest operators to provide an Annual Assurance Statement and for this to be signed off by the key position holder occupying the 'specific management office' for 'the overall management and direction of the licensee's business or affairs'? (page 66)

We would support this measure, which is one of the most important features in the proposed changes, and should form one of the chief means of assessing and improving social responsibility performance in the gambling industry. To counter the danger of it becoming a 'tick box' exercise, the statement should form part of a regular or designated process of discussion with operators as to the content of the Statement.

Q51. What are your views on the proposed content of the Annual Assurance Statement (as set out in paragraph 9.9)? Please comment on the potential requirement to report on the specific items set out below:

- a. the control systems and governance arrangements in place to enable operators to objectively and critically evaluate performance against each of the licensing objectives
- b. the difficulty operators have faced in meeting the aims/requirements of those objectives
- c. the operators specific plans for improving performance in those areas
- d. the operators overall plans for improvement over the following year (page 66)

We would support these proposals and urge that they be open to any modifications of detail following results analysis.

We particularly welcome the implication that this Statement should demonstrate the role of social responsibility awareness in gambling operators' strategic planning. We have found from previous discussions that some sectors of the industry do not routinely consider the potential health harms of expanding into particular neighbourhoods or regions. For this reason, as mentioned above, demographic information should be used by operators to identify risk strategically, in addition to the local risk assessments that will take place on a case by case basis.

Q52. We have indicated that we intend to carry out a review of regulatory returns to ensure that the information gathered is right. What social responsibility information would it be helpful

for the Commission to collect through regulatory returns? (page 66)

We would advise that information including but not limited to the following

- short summary of local demographic information
- risk assessment involving numbers of other gambling premises and establishments that may enable risky gambling such as payday loan shops in the vicinity
- figures for interventions
- data on pre-commitment
- estimate of revenue from problem gamblers in the given period
- in mixed gaming environments, relative play and profit of machines
- customer interactions involving requests for help or information about problem gambling

Q53. What are your views on the proposal to include in the Annual Assurance Statement an estimate of the amount of revenue generated from problem or at risk gamblers, the factors that might be contributing to that amount, and the action taken to bear down on it? (page 66)

We support these proposals and hope that care will be taken to gather and analyse the data obtained. One of our denominations' key concerns is that as harder forms of gambling become normalised, operators' profits will increasingly be from problem gamblers. For example, 23% of the revenues generated by B2 machines in 2012 are estimated to have been from problem gamblers⁴ As such we hope this Statement will be used to support effective strategies for the reduction of problem gambling and that it will not merely be treated operator-by-operator but be used to understand and reduce gambling related harm nationally.

Chapter 10 of the consultation: Research, education and treatment

Q54. Do you agree that the revised wording of social responsibility code provision 3.1.1 (combating problem gambling) makes the requirement clearer? (page 69)

We support the clarification around the requirement for an annual financial contribution. However we are concerned at the potential loss of the specific commitments listed in 2 a-d. It would seem better to keep a version of these whilst including the new financial contribution.

Q55. Do you agree that the Commission should specify that each licensee must make at least an annual financial contribution? (page 69)

We would support this measure, although we remain to be convinced that operators need to choose which parts of RET to fund. The simplest option is to retain the requirement that each licensee contribute to each of the 3 RET components. An alternative would be to require that each sector of the gambling industry collectively raise a certain revenue through voluntary agreement. If these measures prove unsuccessful, the option of implementing a levy will need to be revisited.

Q56. Do you agree that all licensees should make a contribution that addresses all three elements of the RET requirement, or should harm prevention (research and/or education)

⁴ <http://www.gamblingwatchuk.org/research-new/95-people-with-gambling-problems-are-making-a-massive-contribution-to-gambling-profits>

plus treatment be specified? (page 69)

All three elements are important. But however the funding is apportioned, a balance between a clearer focus on research into harm prevention and maintaining adequate funding for education should be maintained.

Chapter 11 of the consultation: Marketing, advertising and fair and open terms

Fair and open terms

Q57. Do you consider that there are terms used by gambling operators which are inherently unfair? Please give examples of terms within gambling contracts which you consider to be unfair or unclear to customers? (page 74)

We would welcome the publication of research findings relevant to this.

We are aware of the prevalence of the phrase 'free bets' and the doubts that this is an accurate description of the process involved in claiming these bets.

Q58. To what extent do you consider that existing or upcoming consumer rights legislation already address possible concerns about unfair terms in gambling contracts? If you consider that there are still gaps in relation to gambling contracts, what action do you consider should be taken to address the possibility of unfair terms in gambling contracts? (page 74)

Q59. How should gambling operators make consumers aware of changes to terms and conditions? Should only material changes be notified and if so, what do you consider to be material changes? (page 74)

Rewards and bonuses

Q60. In what way could the code provision which prohibits gambling operators from offering rewards which are connected with a 'pre-determined length of time or with a pre-determined frequency' be made clearer? (page 76)

The principle of not offering inducements which reward or predispose to risky gambling should be clearly communicated and understood.

Specific instances which may fall under the current definition should be identified on a case by case basis – e.g. if a particular 'loyalty card' is found to offer inducements to longer or more frequent forms of gambling

The code should also recognise the particular danger of offering these kinds of reward or inducement to hazardous and problem gamblers.

Free bets and bonuses

Q61. Do you agree that the proposed amendments to ordinary code provision 5.1.6, which strengthen references to the CAP and BCAP advertising rules and, more specifically, the recent BCAP 'help note' (which contains a specific section on the marketing of free bets and bonus offers), will help reinforce and raise awareness of the rules and guidance? (page 79)

We would support these amendments but retain concerns that 'free bets' of any kind are inconsistent with a commitment to social responsibility.

Q62. Do you agree that the ordinary code provision should be further amended to better reflect ASA guidance/ rules on the use of under 25s for remote gambling? (page 79)

Yes. However, we would caution that the restriction on all those who are or seem to be under 25 should be retained, not just those shown gambling. We have previously expressed our concerns about advertising targeted at Under 25s, particularly in the context of sport, and these concerns are ongoing.

Q63. Do you agree that the proposed new social responsibility code provision requiring remote operators to provide the significant terms and conditions for each bonus offer in the advertisement or, if not practical within 'one click' of the initial offer, will help address concern relating to the marketing of misleading and/or unclear free bets and bonus offers? (page 80)

We would support this proposal, with the proviso that the initial offer not be significantly misleading or uninformative, so as to require major interpretation through the terms and conditions information.

Marketing in proximity to social responsible messaging

Q64. Do you consider that a code provision should be introduced to state that operators should consider the proximity of marketing and information about offers on their websites and premises to socially responsible gambling messages, and in particular that remote operators should ensure that the primary page of responsible gambling information should be free of marketing? (page 80)

Yes. Socially responsible gambling messages also includes the location of advertising in relation to vulnerable groups: for example, certain kinds of advertising would not be appropriate within a certain distance of a school.

We would support the suggestion of CARE that people who have self-excluded should be protected from gambling advertising / marketing.

Removal from marketing and account closure

Q65. Do you consider that a code provision should be introduced to state that operators should offer customers the ability to easily opt out of any and all marketing and/or to close accounts held with an operator? (page 81)

Yes. Connected with Q64 above, the value of self-exclusion would be seriously undermined if there were no effective mechanism to opt out of marketing and to close accounts.

Q66. Should customers be able to exclude themselves from marketing by product? (page 81)

Yes.

Q67. Do you consider that a national marketing opt-out facility should be made available to all customers not only those who are also self-excluding from gambling? (page 81)

Yes. As well as the main purposes of this suggestion, another advantage would be to avoid desensitising online gamers to the constant stream of electronic messages, thus making any online 'reality check' information more noticeable and distinct from the game.

Chapter 12 of the consultation: Bingo and gaming machines in pubs and clubs

Q68. We invite views on the provision of commercial bingo, B3s and B4s in pubs and clubs and how you think concerns about commercial bingo in these premises should be addressed. (page 83)

The safety of the presence of B3 and B4 machines in bingo hall, pubs and clubs requires further research and the use of the precautionary principle. We agree that a wider consultation would on the use of these machines in traditionally soft gaming environments is needed, particularly where alcohol is freely available. This should include consideration of what constitutes adequate staffing and staff training in these premises.

Chapter 13 of the consultation: Other items for consultation

Age verification in remote lotteries

Q69. What are your views on the proposal to remove lottery licensees from social responsibility code provision 3.2.11 (access to gambling by children and young persons – remote SR code) and introduce a new social responsibility code for remote lotteries which amends the requirement around age verification for low frequency subscription lotteries? (page 86)

We would support this.

Q70. What are your views on the proposal for a new ordinary code provision to address concerns about suitable age verification processes being in place in those lotteries that might be particularly attractive to the under age? (page 86)

We support this measure.

Provision of credit in society lotteries

Q71. Do you consider the use of credit cards in society lotteries has the potential to result in debt or other problems for some participants in society lotteries? (page 87)

Yes.

Q72. Do you agree that the new requirement for society lotteries to limit the value of tickets sold

to one person without customer interaction will help to identify and prevent potential problem gambling? (page 87)

Yes.

Q73. Is it practical for society lotteries to set limits on different types of lotteries and keep records of interactions with customers who attempt to purchase tickets in excess of those limits? (page 87)

We would see keeping records as fundamental to ensuring social responsibility in society lotteries.

Provision of credit (general)

Q74. Do you agree with the proposed change to elevate the ordinary code provision 3.7.2 (about the provision of credit) to social responsibility code provision? Please explain your reasons. (page 88)

Yes. Our Churches would be in favour of any measures aimed at limiting the burden of debt incurred through gambling, particularly in deprived areas. We are well aware of increased poverty and inequality at a time of Government spending cuts. One visible consequence of this is greatly increased demand on foodbanks, many of them run by churches.

We have expressed our concerns about payday loan shops and loan sharks offering loans at very high interest rates. In view of the substantial number of betting shops in deprived areas, where the vulnerable may easily slide further into debt through the need for money, to provide credit for betting in many circumstances will be a socially irresponsible action.

We would also see the availability of ATMs in gambling establishments as highly irresponsible and inappropriate.

Other consultation items

Q75. Please explain if you disagree with any of the following proposals as outlined in section 13 of the consultation document:

- a. Display of rules (social responsibility code provision 4.2.6): to update the reference to the British Horseracing Authority
 - b. Display of rules (social responsibility code provision 4.2.7): to add a footnote clarifying the information requirements applicable in point to points
 - c. Offering of alcoholic drinks to people whilst gambling (social responsibility code 5.1.3): to clarify that customers may not be offered unsolicited free alcoholic drinks during any gambling activities
 - d. References to premises and on course betting (found in many social responsibility codes): to be more specific in the use of language for on course betting operators where the licensees operate from premises which are not their own
 - e. Tic-tacs (licence condition 12.1.1): to remove the licence condition relating to tic-tacs which is no longer relevant
 - f. Pool betting – annual accounts (social responsibility code 13.1.3): to specify that annual accounts should be provided on request by the Commission rather than routinely.
- (page 91)

c. We would agree that customers should not be offered unsolicited free drinks. However we have grave concerns about the availability of alcohol in any gambling premises, whether or not the

drinks were unsolicited.

Other comments

Do you have any additional comments on any aspect of the LCCP consultation which has not been addressed in the questions?

We welcome this consultation as a highly positive step towards embedding social responsibility in the gambling industry and its regulation.

The third objective of the Gambling Act 2005 states social responsibility requirement in a clear way and it is welcome that this consultation gives a similar prominence to this as to the first two objectives. Our denominations feel that it has not always received equal prominence with the Commission's other work and we are extremely encouraged by this initiative.

This consultation includes a host of practical measures with the potential to help operators to demonstrate social responsibility through best practice and clear regulation.

However, it just as important is to build and model the idea of social responsibility in different parts of the gambling industry from the top down and without this, it is unlikely that the specific measures contained in this consultation will achieve their aim.

Our experience of dialogue with the industry has shown that some gambling providers take social responsibility seriously and have no wish to make large parts of their profit from the 'bad money' of problem gamblers. Yet the fact remains that too many gambling premises are relatively untouched by a concern for social responsibility.

Ideally, social responsibility should be understood as a positive and desirable goal for gambling operators' strategic planning. The default assumption should be that business planning incorporates social responsibility concerns as a matter of course.

We would hope, therefore, that the specific measures and changes proposed in this consultation are part of a broader dialogue involving the Gambling Commission, the Industry and interested parties, whereby there is increasingly less sense that such measures are being 'imposed' on operators and a shared conviction that the industry is empowered and encouraged to develop social responsibility planning, across sectors, so as not just to work within but exceed the letter of the law.

Finally, these positive developments should not cause us to lose sight of the absolute need to maintain stakes, prizes and availability of gambling at appropriate levels. While we recognise the Commission's belief that it is for the industry to display and lead on social responsibility, we have not yet encountered a case where gambling operators refrained from pushing for increased stakes, prizes or availability of gambling on the grounds of potential risk to public health and well-being.

Our denominations continue to be concerned that stakes and prizes have risen too fast and are far too high in some cases (such as Category B2 machines). Ensuring that available forms of gambling do not lead to rises in problem gambling is a basic social responsibility concern that lies outside the remit of this consultation but is crucial. As such we consider it vital that the changes proposed in this consultation go forward in close connection with ongoing research into problem gambling and that both data sets are evaluated and cross-referenced to inform performance and best practice, as part of a regular process of review so that LCCP and the Commission's advice on

other aspects of regulation can be kept up to date and harmonised with each other.

- 1.5** Please note that responses may be made public or published in a summary of responses of the consultation unless you state clearly that you wish your response or name to be treated confidentially. Confidential responses will be included in any statistical summary of numbers of comments received. If you are replying by email or via the website, unless you specifically include a request to the contrary in the main text of your submission, the Commission will assume your consent overrides any confidentiality disclaimer that is generated by your organisation's IT system.
- 1.6** Any information or material sent to us and which we record may be subject to the Freedom of Information Act 2000 (FOIA). The Commission's policy on release of information is available on request or by reference to our website at www.gamblingcommission.gov.uk. The Commission will treat information marked confidential accordingly and will only disclose that information to people outside the Commission where it is necessary to do so in order to carry out the Commission's functions or where the Commission is required by law to disclose the information. As a public authority the Commission must comply with the requirements of FOIA and must consider requests for information made under the Act on a case-by-case basis. Therefore when providing information, if you think that certain information may be exempt from disclosure under FOIA, please annotate the response accordingly so that we may take your comments into account.
- 1.7** All information provided to the Commission will be processed in accordance with the Data Protection Act 1998. However, it may be disclosed to government departments or agencies, local authorities and other bodies when it is necessary to do so in order to carry out the functions of the Commission and where the Commission is legally required to do so.