

The UK Gambling Industry: An Update

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The UK Gambling Industry

GAMBLING
COMMISSION



Department
for Culture
Media & Sport

- The Gambling Act 2005 established the licensing objectives for regulation in the UK:
 - Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.
 - Ensuring that gambling is conducted in a fair and open way.
 - Protecting children and other vulnerable people from being harmed or exploited by gambling.
- The UK industry is regulated by the Gambling Commission.
- Gambling and sport is part of the Department for Culture, Media & Sport.
- This structure provides a stable regulatory environment for a mature licensed gambling industry.
- In 2019, the Conservative Party committed to reviewing the Gambling Act if the Party was elected to government at the General Election give it *“is increasingly becoming an analogue law in a digital age.”*

Timeline of key events for Gambling Regulation



High Stakes: Gambling Reform for the Digital Age

Presented to Parliament by the Secretary of State for Culture, Media and Sport by Command of His Majesty

April 2023

Gambling Act Review (December 2020)

The Government published a Gambling Act review on 8 December 2020. Its purpose was to examine whether the 2005 Act provided the right “balance of regulation” in the digital age.

Call for evidence (March 2021)

A call for evidence on the review closed on 31 March 2021. There were around 16,000 responses to the Gambling Act review. The Government originally planned to issue its response by the end of 2021.

Gambling White Paper (April 2023)

The Government published the gambling white paper “High stakes: gambling reform for the digital age” on 27 April 2023.

The white paper set out the government’s plans for modernising the regulation of gambling in the UK. The white paper sets out proposals for reform in six areas: online gambling, marketing and advertising, the Gambling Commission’s powers and resources, dispute resolution and consumer redress, children and young adults, and land-based gambling.

Gambling Commission and DCMS consultations (July 2023)

The Department for Culture Media and Sport and Gambling Commission launched the first tranche of consultations in July 2023:

Gambling Commission Consultations

- Improving consumer choice on direct marketing.
- Strengthening age verification in premises.
- Remote game design.
- Remote gambling: financial vulnerability and financial risk.
- Extending Personal Management Licences requirements.
- Changes to Regulatory Panels.

DCMS consultations

- Measures relating to the land-based gambling sector.
- A maximum stake limit for online slots games in Great Britain.

Political change since 2019

Prime Ministers

Boris Johnson, July 2019 – September 2022

Liz Truss, September 2022 – October 2022

Rishi Sunak, October 2022 – Current



DCMS Secretaries of States

Nicky Morgan, July 2019 – February 2020

Oliver Dowden, February 2020 – September 2021

Nadine Dorries, September 2021 – September 2022

Michelle Donelan, September 2022 – February 2023

Lucy Frazer, February 2023 – Current



Gambling White Paper (April 2023)

Mims Davies, November 2018 – May 2019

Rebecca Pow, May 2019 – September 2020

Helen Whately, September 2020 – February 2020

Nigel Huddleston, February 2020 – March 2021

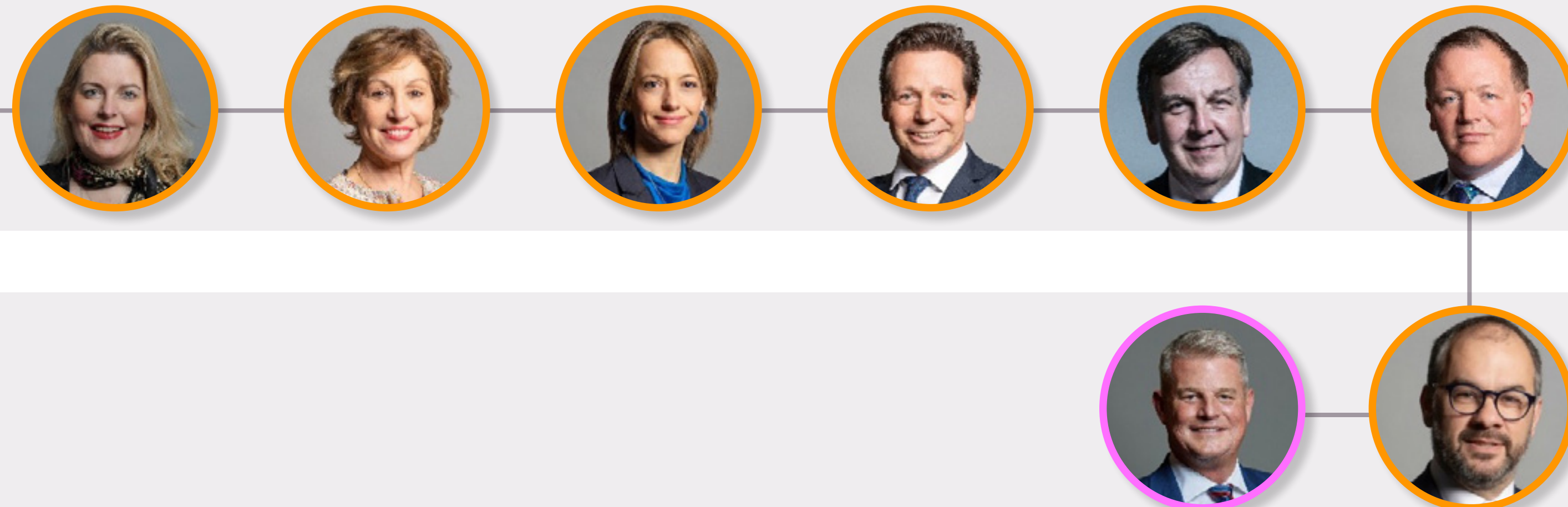
John Whittingdale, March 2021 – September 2021

Chris Philp, September 2021 – July 2022

Damian Collins, July 2022 – October 2022

Paul Scully, Oct 2022 – February 2023

Stuart Andrew, February 2023 – Current



The UK has a strong regulatory environment

- Gambling Commission is well respected around the world.
- Strong leadership from Chief Executive Andrew Rhodes who was appointed in 2021.
- Little differentiation in approach to regulation of different types of gambling, despite risks being different.
- Adversarial approach to some who have criticised potential reforms, such as the Racing Post.
- Following intense political criticism of its approach, now taking a more interventionist approach with the industry to enforce existing strong regulation. Examples include:
 - Entain was fined £17 million in August 2022.
 - William Hill was fined a record £19.2 million in March 2023.
 - 888 was fined £9.4 million in June 2023.
 - In Touch Games has UK licence suspended in September 2023.



DCMS and GC Consultations

- Key areas

Financial Risk Checks

The Gambling Commission launched a consultation to seek views on light touch financial vulnerability checks using publicly available data, and financial risk assessments.

- The Gambling Commission propose that the light touch financial vulnerability checks are conducted at £125 net loss within a rolling 30-day period.
- The Gambling Commission propose that financial risk assessments apply where there are losses greater than £1,000 within a rolling 24 hours.

Marketing Restrictions

Gambling Commission will consult on setting higher standards for operators in obtaining customers' consent to direct marketing and promotional offers. There are proposals to introduce a new requirement to provide customers with options to opt-in to the product type they are interested in and the channels through which they wish to receive marketing.

Online Slots

The Government is consulting on a stake limit of between £2 and £15 per spin and slot-specific measures to give greater protections for 18 to 24-year-olds.

The Government are also seeking views on details to support the effective implementation of the policy, including the meaning of 'online slots games', 'maximum stake' and 'spin/game cycle'.

Research, Education & Treatment Levy Review

The Government has launched a consultation on the details of the new gambling operator levy, a charge on betting companies, to fund gambling research, education and treatment.

What next for the UK Gambling Sector?

No revolutions:

Regardless of political events there will be no immediate changes with the details of the reforms now being worked out in a series of consultations with all stakeholders engaging.

Continued stability:

The UK will continue to be a mature, stable and highly regulated gambling market.

Consensus to seek a balanced approach:

Any changes are aiming to strike a balance between freedoms of the majority and protection of the vulnerable. This is not a theme specific to gambling – online protections, use of our personal data, social media companies' responsibilities are all part of the conversation in a digital age.

The debate will continue!

