



## GAMBLING BUSINESS GROUP RESPONSE

### Consultation on amending section 2.39 in the Statement of Principles for Determining Financial Penalties in relation to the destination of future regulatory settlements

#### Introductory Questions

What is your name?

Name [Charlotte Meller](#)

What is your email address?

Email [Charlotte@gamblingbusinessgroup.co.uk](mailto:Charlotte@gamblingbusinessgroup.co.uk)

What is the name of your organisation (if relevant)?

Organisation name (if relevant) [The Gambling Business Group](#)

As part of this consultation, we may decide to publish your name (if you are responding in a personal capacity) or the name of your organisation (if you are responding on your organisation's behalf) on our website to indicate that you responded to this consultation.

Do you provide your consent to these details being published?

(Required)

- [I CONSENT to the publication of my name or organisation to indicate I responded to this consultation.](#)
- I DO NOT CONSENT to the publication of my name or organisation to indicate I responded to this consultation.

#### [Gambling Commission's Privacy Policy.](#)

Tell us a little bit about you to help us understand your perspective. Are you:

Multiple choice answer

- An academic, responding as an individual
- A person, responding in a personal capacity who is or has worked in a gambling business

- A member of the public
- A person representing a charity and/or non-profit
- A person representing a gambling business
- A person representing a trade association
- A person representing a professional body, including academic organisations
- A person representing a licensing authority or other regulator
- A person with lived experience of gambling harm.

### Consultation Questions

1. **To what extent do you agree with the proposal to amend section 2.39 of Statement of Principles for Determining Financial Penalties to make it clear that in future all regulatory settlements agreed as part of Gambling Commission enforcement action will be directed to the Consolidated Fund as financial penalties are?**

#### Multiple choice answer

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

2. **Please give your reasons for your previous answer below**

#### [Free text box]

Funding tackling the black market through repeated increases in Gambling Commission Licence Fees is not a sustainable model when the black market has such a negative impact on the sustainability of the legitimate market. As legitimate operators become unable to compete with black market operators, they will eventually be unviable and cease operating altogether, paying no Gambling Commission Licence Fees what so ever. We need to find another funding model for addressing illegal gambling that does not harm legitimate operators.

We believe these regulatory settlement payments should be ringfenced to support the tackling of the illegal gambling market. This would replace the need to increase gambling operator fees to fund this work, which licensed operators should not be funding in the first place. The regulatory settlement monies should be added to the £26m that Government has set aside to deal with illegal gambling. The infrequent

nature of regulatory settlements would not be a factor, as the monies are just adding to an existing pot of money.

As the consultation states, “...*regulatory settlements were never intended to be and should never have been seen as part of the core funding for gambling research, prevention or treatment and wherever the settlement monies are directed there needs to be in place effective commissioning, governance, evaluation and alignment with the new levy system*”.

We assume that the illegal market funding will have already have a governance, commissioning and evaluation framework in place within the Illegal Gambling Task Force structure, therefore no additional work would be required to deal with these regulatory settlements if they are added to the illegal gambling fund.

The work to tackle the black market surely must be done in conjunction with where levy money is spent, otherwise the former will undermine the latter.

**3. Can you foresee any issues related to amending the destination for future regulatory settlements to the Consolidated Fund?**

Under the new Statutory Levy process third sector support services face different and difficult hurdles to access funding. These services have now had the option of being recipients of regulatory settlement monies stopped. We are concerned about the ability of these services to access sufficient funding to continue providing essential support to the vulnerable.

**4. Do you consider that there is an alternative destination for future regulatory settlements that we have not considered?**

[Free text box] [See response to Q2](#)

**5. Are there any additional issues related to amending the destination for future regulatory settlements that we should consider?**

If regulatory settlements are directed into the Consolidated Fund as proposed, and then Government subsequently directs the money to be used for gambling related purposes, there should be transparency regarding what it has been used for and an evaluation of its effectiveness made public.

**6. Do you have any views on the proposed timetable for implementation? [No](#)**

[Free text box]

Our initial assessment indicates that this proposal does not have a negative impact on the protected characteristics outlined in the Equality Act 2010. It does not give rise to unlawful discrimination, harassment or victimisation or other conduct prohibited under the Act.

At present, we do not consider that the proposal would diminish equality of opportunity or foster poor relations between individuals who share a protected characteristic and those who do not but we will continue to keep this position under review and welcome any views in relation to this.

Do you have any evidence or information which might assist the Commission in considering any equalities impacts, within the meaning of section 149 of the Equality Act 2010, relating to the proposal in this consultation?

No