

GBG The Gambling Business Group

Gambling Business Group Meeting notes.

Held on Tuesday April 5th 2016 at 3.30pm.

@ Gordon Dadds, 6, Agar Street, London.

Attendees list is at the end of these notes.

1. Welcome & Introductions. Nick thanked everyone for attending the meeting and explained that Sarah Harrison will be joining us at some point after 4.15pm. Instead of Paul Hope attending Sarah will be bringing Sharon McNair and Brad Enright. So the meeting should crack on with the rest of the agenda until they arrive.
2. Action points from previous notes.
 - a. Point 2.a. PH has written to Rank and Greene King following the Jan 7th meeting inviting them to join the GBG.
 - b. Point 4.c. The meeting was brought up to date with developments with the Online cross sector self-exclusion project. The RGA are considering the next steps.
 - c. Point 5.c. No update on the likelihood of a review of machines stakes and prizes any time soon. Any political appetite for instigating the process appears to have subsided.
3. The GBG Website. PH informed the meeting that the site is now accessible to members at the following address; www.gamblingbusinessgroup.com Members are asked to take a look at the site and feedback any thoughts on how it could be improved before announcing it to the wider Industry.
4. The meeting acknowledged the commencement date of April 6th 2016 for the new LCCP requirements for local risk assessments and sector self-exclusion schemes to be active and available. PH also brought the meetings attention to the new GC consultation on amendments to the bingo sector self-exclusion requirements that no longer include bingo played on premises without a gambling premise licence (working men's clubs etc).
5. Responsible Gambling.
 - a. PH gave the meeting an overview of how the GBG Responsible Gambling accreditation was progressing and that the accreditation was aimed at Board and Business Owner level. Members can expect to be consulted on the contents in due course and it is also intended to engage with the Gambling Commission to ensure we have their 'buy-in'.
 - b. Responsible Gambling Strategy Board have published the final version of the Evaluation Protocol for harm minimisation initiatives. All future harm minimisation projects should be subjected to this evaluation process to enable a better assessment of their value towards responsible gambling.

- c. The Responsible Gambling Strategy for 2016 – 2018 is now finalised but not yet released (it was released soon after this meeting). The final version of the document has taken into consideration the inputs and comments contributed by the GBG, and it now looks like something that can be genuinely adopted by all stakeholders.
- 6. Machines Sub-group. PH made the meeting aware of two upcoming issues that need to be addressed;
 - a. The interpretation of what can and can't be done with gamble features has come to the fore again, brought about by one games manufacturer 'blowing the whistle' on another to the GC (again). The concern here is the same as last time this happened in that we, the Industry, are pushing the Commission into a place where they will be forced to prescribe the parameters of gamble feature development in more detail. This would be the death knell for machines generally and therefore must be averted. PH suggested the GBG be used as a mediator or arbitrator in these situations to avoid engaging the Commission unless absolutely necessary. AB made the point that the reason we have this situation at all is the Commission's reluctance to give any meaningful advice on new games and innovations. However, until this changes, PH will speak with all of the games developer members to see if there is a way to self-manage these instances.
 - b. Cashless and TiTO Strategy. Whilst the development of these protocols have been a huge success and are being rolled out across the country, this success is attracting new attention from overseas and from the likes of the GSA (Gaming Standards Association). The MSG will soon be at a crossroads with a need to create a process and regime for the effective management and control of the protocols for members. This will inevitably need to be funded in some way.
- 7. Government.
 - a. Treasury – should have consulted on the introduction of the 4th AMLD by now but the process is still outstanding. The Commission have produced a revised draft of their own risk assessment of the UK Gambling Industry following consultation with ourselves and the Trade Associations, but this has not been circulated yet. At the same time, the Commission's response to their own consultation on keeping crime out of gambling is also still to be published.
 - b. BRDO – the GBG are working with the Better Regulation Delivery Office on improving regulation at both central and local levels.
 - c. The DCMS have confirmed that they intend to consult on the GC fees in the summer. The GBG has asked that this consultation includes a review of costs too.
- 8. AOB;
 - a. Next GBG conference call date (was May 13th) now to be revised back to June. PH to advise accordingly.
 - b. Andrew Cotton brought the meetings attention to the following;

- i. Revised customer funds reporting requirements; The GC have published their consolidated advice on customer funds drawing together all the changes on segregation, the ratings system and disclosure to customers that have been implemented over the past two years: <http://www.gamblingcommission.gov.uk/pdf/Customer-funds-segregation-and-disclosure-to-customers.pdf> It also reminds all operators of the need to undertake weekly reconciliations of assets and liabilities and the phased implementation of the of the new enhanced customer funds reporting requirements for remote operators.
 - ii. Data protection changes later this year; The EU have passed the new Data Protection Regulation which has to be applied by all EU jurisdictions over the next year. It does not require national legislation to implement being a regulation rather than a Directive. It introduces requirements to register for Data Protection on a point of consumption basis in every jurisdiction where customers are based. This will impact on remote operators who at present are only required to register in the jurisdiction where there gambling records are held and will in future have to register in every EU jurisdiction where they have customers.
9. The meeting was then joined by Sarah Harrison, Sharon McNair and Brad Enright all from the Gambling Commission. Nick Harding welcomed them to the GBG meeting and thanked Sarah for accepting our invitation. NH then stated that the next phase of the meeting would be held under Chatham House rules in order that everyone can be open and frank with their contributions. Whilst the dialogue is therefore not recorded, below is the list of questions that were provided to SH by the GBG ahead of the meeting;

The Gambling Business Group meeting; April 5th 2016.

Questions for Sarah Harrison;

1. Reference the Commission's recent announcement on the revised executive positions; The press release said;

One aim of the changes to personnel is to ensure sufficient focus on analysis and evidence. The news article also re-iterated that the Gambling Commission is an evidence-led regulator. They produce regular public data on industry trends and consumer participation to shape policy on gambling in Britain, as well as informing regulatory decisions.

Question; We would like to understand more about why the Commission felt it was necessary to make changes to personnel, to further this aim?

2. Could Sarah share with us the Commission's view on
 - a. The boundaries between anonymous gambling right through to fully tracked, in all age-controlled venues. Does the Commission want to see all forms of gambling linked to personal data?
 - b. How robust does the Commission believe the evidence of online mentoring to be – in particular how do they rate the effectiveness of a local (human) supervision to gauge a person's suitability to gamble, versus the remote community?

3. Now that you have had time to get up to speed with the Gambling Commission's recent activities, do you think that the 'Controlling where Gaming Machines may be played' Consultation was the right thing to do and what purpose is it intended to serve?
4. What can we do to remove the delays (or to speed up the process) in making changes to Machines technical Standards?
5. How can the Industry work more effectively with the Gambling Commission on product developments and innovation? One of the regular points of frustration for the Industry is the Commission's default position; 'not to give advice'.
6. In the light of the Gambling Commission's Money Laundering Risk assessment, which sectors will you be recommending are capable of effective self-regulation overseen by the Gambling Commission (rather than via the 4th AMLD)?
7. The Gambling Commission's response to the consultation on 'Keeping Crime out of gambling' is still to be published. Can you give us any insight into what to expect?
8. Does the Commission support a review of stakes and prizes for machines and what would be their recommended timings to government?
9. Where does the "aim to permit gambling" fit in to the Commission's approach to regulation, as it has appears to be increasingly swallowed up/forgotten in favour of a protectionist attitude towards the licensing objectives?
10. Do you still see the Sector Meetings as an effective method of communication?
 - a. Should there be a calendar setting out the dates & frequency?
 - b. Is there a particular reason why barristers are not invited the Industry Lawyers Group meetings with the Commission?

10. In attendance;

First Name	Last Name	Company
Rob	Wheeler	Agile Gaming
Ewen	Macgregor	Bond Dickinson
Andy	Walker	Carnaby Gaming
Simon	Reynolds	Coral
David	Lucas	Fraser Brown
Patrick	Kerr	Gala Coral
Sarah	Harrison	Gambling Commission
Peter	Hannibal	GBG
Jim	O'Halloran	INGG
Tim	Shield	John Gaunt
Mark	Summerfield	KPMG
Paul	Rowe	KPMG
Donal	McCabe	Ladbrokes
Graham	Glanfield	Moto
Ashleigh	Lewis	Moto
Fiona	Falle	Moto
Elizabeth	Speed	Novomatic
Nick	Arron	Poppleston Allen
Nick	Harding	Praesepe
Simon	Levingston	RCPA

Tony	Yates	Regal Gaming
Mark	White	Regal Gaming
Rob	Capener	Talarius
Paul	Monkman	Tatts Group
Gemma	Hammacott	Castle Leisure
Susanna	Fitzgerald	

Apologies;

First Name	Last Name	Company
Martin	Lagar	Park Resorts
Mark	Edmundson	GeWeTe
Jim	Foster	JCM Global
Barney	Horn	Deloitte
Steve	Murray	Storm Games