

GBG The Gambling Business Group

Gambling Business Group Meeting Held on Wednesday November 8th 2017 at 11.00am.

At the offices of Gordon Dadds, Agar Street, London.

In attendance; Nick Harding - Chair Peter Hannibal – GBG David Lucas – Fraser Brown Simon Levingston – RCPA Andrew Cotton – Gordon Dadds Susanna FitzGerald - OEC Law Andy Powell – G2 Games Steve Bierrum – Genesis Games Chris Grunnert – John Gaunt & Partners Lee Morton – SG Gaming Jim Shipley – Mirage Leisure	Cont; Tony Boulton – Project Games Graham Roberts – Inspired Gaming Tez Field – William Hill Andrew Tait – Gordon Dadds Nick Arron – Poppleston Allen Guests; Lee Willows – YGam Stuart McPhee – Gambling Commission Ben Haden – Gambling Commission
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1. NH welcomed everyone to the meeting & thanked the Gordon Dadds Team for hosting the meeting. A particular welcome was extended to Lee, Ben and Stuart who were the GBG guests for this meeting. Everyone then introduced themselves. NH suggested that we introduce a registration of attendance book for future meetings.
2. The first main item on the agenda was a presentation by Lee Willows of his own experience with problem gambling, followed by an introduction to the awareness and education work provided by YGam. What was also impressive about Lee and the contribution YGam is making towards educating younger generations is that it is all being done without any financial support from GambleAware. It was suggested that members might want to consider YGam when allocating their next RET contributions. A separate note has been sent out to all members in this regard.
3. The next agenda item was the introduction of Ben Haden from the Gambling Commission. Ben has picked up the industry relationship from Sharon McNair and explained the following;
 - a. Bens Teams are looking at the macro economics and consumer issues, and also include the sector specialists.
 - b. He sees that the Industry is grappling with consumer trust. It is very demanding for the Industry just to keep up, never mind to get ahead.

- c. Looking hard at how to use the same data that is for marketing to also protect gamblers.
 - d. The GC are balancing internal experience against new blood and new thinking.
 - e. GC will be publishing a revised strategy later this month.
 - f. The public don't see gambling in sectors, they only see one gambling industry.
 - g. The meeting asked why the Commission couldn't investigate further those Licence holders who were not making the recommended level of contributions to RET.
 - h. PH asked for the GCs position regarding the DCMS dismissal of debit cards on machines based upon it being less responsible. The response was simply to support the DCMS position saying that no evidence of card usage being more responsible was submitted.
 - i. A number of further issues was raised regarding the GCs new website. The main one being that documents are still exceedingly difficult to find and it proved easier to go via Google rather than the GC search engine. PH will raise these issues direct with the Commission.
 - j. Ben also clarified that the GC will be revising their Money Laundering risk assessment in the light of the Treasury's new national risk assessment.
 - k. NH thanked Ben for sharing his thought with the meeting and invited him and Stuart to stay for the rest of the agenda.
4. Items brought forward from the previous meeting;
- a. Point 2a; Issue relating to bingo equipment technical standards and transparency over testing. AC informed the meeting that the GC have now said that there is a 'carve out' of the technical standards for non-remote bingo. The remainder of the remote technical standards do apply. GBG will clarify when more info is available.
 - b. Point 2b; Mark Griffiths has now reviewed the GCs research results into children's gambling prevalence and has commented as follows; *I read through the report but there are no fatal flaws in the research. It obviously*

suffers from the limitations found in any self-report methodology (biases due to memory recall, social desirability, etc.) but that doesn't mean the findings are not valid.

- c. Point 2d; The meeting talked further about the public confusion between gaming and gambling. Lee Willows then confirmed that teachers do not see the difference between gaming and gambling until someone explains it to them. PH also quoted a recent Tracy Crouch response to a question in the House which acknowledged that “The Government recognises the risks that come from increasing convergence between gambling and video games” and that they are awaiting the conclusions of the 2017 young people and gambling survey due to be published soon.

5. Government;

- a. The Gambling Review Consultation. The meeting discussed the various aspects of the consultation document. It was pointed out that with the GBG having such a diverse membership, the review outcome is no longer going to be evidence based so we would not be in a position to comment on the stakes question. However, we will be making a submission on the other matters, particularly their dismissal to the request to remove the prohibition of the use of debit cards and contactless transactions for machines. The Chair suggested that a working party be formed to draft the GBG response.
- b. National Risk Assessment. PH informed the meeting of the outcome of the Treasury annual National Risk Assessment. The full document is available on the HMT website but this a summary of the findings regarding the UK gambling sector;
 - i. While recognising that the level of money laundering and terrorist financing risk varies across gambling sectors, it notes that a significant proportion of the money laundering that takes place within the industry is by criminals spending the proceeds of crime (including acquisitive crime and the sale of illicit commodities) for leisure rather than ‘washing’ criminal funds.

- ii. More specifically, the Gambling Commission's risk assessment notes that betting (non-remote), casinos (non-remote) and remote (casinos, betting and bingo) all carry significantly higher risks than other gambling sectors.
 - iii. Due to the continued lack of evidence of the use of the sector for money laundering on a significant scale, the sector continues to be assessed as low risk for money laundering.
 - c. We now await the GCs own revised money laundering risk assessment.
- 6. Gambling Commission.
 - a. The joint note to the Industry from CAP, ASA and the Gambling Commission regarding the use of ads 'likely to appeal to people aged 17 or younger' was discussed, and the implications for other areas explored. Clearly, members need to be alert to these considerations when planning advertising and marketing.
 - b. Machine Games Features. This long running issue has now taken a new turn in that the GBG are working with the Commission on a new solution that will hopefully entail new guidance on the principles of certain game/gamble features. The GC is currently following the necessary internal processes.
 - c. The meeting was made aware of the upcoming GC Raising Standards conference on November 21st in the same vein as last year.
- 7. Ticket in Ticket Out – TiTO. PH brought the meeting up to speed on progress in the last 12 months that certain members have been funding its management, maintenance and development. Further funding for the next 6 months has been requested and, considering all that is currently happening a further review of all things will be made in April 2018.
- 8. Contactless Transactions;
 - a. Rob Wheeler brought the meeting up to date with progress on the use of contactless transactions via an intermediary ATR. PH explained the importance of this development for the survival of machines in pubs.
 - b. The draft Code of Conduct was discussed and will be circulated to the MSG for final approval.

- c. PH took the meeting through the process that the DCMS will need to go through to remove the debit card prohibition.
- d. RW briefly explained the possibility of a responsible gambling layer that will enable cards to be cross checked for social responsibility purposes. GBG will explore further and report back.

9. Responsible Gambling.

- a. The meeting discussed the recent open letter from Mark Etches suggesting that a Levy might be necessary due to a shortfall in RET contributions. It was again noted that not all RET contributions go to GambleAware so they are not in a position to say what the total funding of RET is.
- b. Following a recent RGSB meeting the GBG have written to Sir Chris Kelly suggesting that the GC should state the total RET funding figure from the regulatory returns. He agreed and said we should ask them.....
- c. Both PH and NH have been invited to the inaugural GambleAware Industry Panel on December 7th. Any questions that members would like asking should be forwarded to Peter.

10. Gambling Expert Group. PH reiterated the ongoing request for regulatory delivery matters for the next Expert Group meeting.

11. AOB;

- a. Jim O'Halloran has announced his imminent retirement, meaning the GBG will be looking for a replacement Vice Chair to sit alongside Susanna. Any interested parties/nominations to be emailed to PH.
- b. Dates of next meetings are as per the agenda list and will continue to alternate between conference calls and face to face. Amanda to identify meeting venues;
 - i. Wednesday 24th January 2018 – Conf Call
 - ii. Wednesday 7th March 2018 – venue tbc
 - iii. Wednesday 16th May 2018 – Conf Call
 - iv. Thursday 18th July 2018 – venue tbc
 - v. Tuesday 25th September 2018 – Conf Call
 - vi. Tuesday 20th November 2018 – venue tbc