



GBG NEWSLETTER - 5TH JULY 2023

Update from DCMS on White Paper

Kieran Sull the Head of Land-Based Gambling Policy Gambling & Lotteries at DCMS attended the GBG Board on Monday and provided an update on the next steps on the DCMS led proposals with the White Paper.

Before or shortly after recess (20th July) the DCMS intend to publish two consultation - one regarding the online slots proposals and one covering the land-based proposals. The intention is for 10-week consultations with the Government response published by the end of the year if not before. It has yet to be decided whether any subsequent implementation of the changes would be on the common commencement dates (April/October) or whether some changes could be implemented earlier but they are aware that operators will need a lead in time for some changes. DCMS is confident this will be done by mid-2024 and ideally before the next General Election.

The land based consultation will consist of 5 chapters - all requiring secondary regulations:

1. **Casinos** – the machine/table parity allocations for 1968 casinos. This will be the most detailed chapter as getting the policy and mandatory conditions right is complicated. Separate to the consultation the Department will write to those LAs that have not progressed the 2005 casinos.
2. **80/20 change to 50/50** - looking to gather evidence of the impact of such a change. DCMS confirmed that grandfather rights will be maintained (i.e., pre 2011 licences) alongside the new 50/50 option (with 80/20 being removed)
3. **Cashless** – DCMS stressed this will happen although the UK would be the first country to offer it and therefore, they have to be confident that the player protection measures are in place. They will look at apple pay (watch/phone) options and not just debit card and want to future proof it as much as possible for other payment methods whilst mitigating against money laundering and gambling related harm. The removal of the reference to the prohibition of debit card within the Act needs an affirmative Statutory Instrument which requires debate in both Houses. The consultation will seek views on how it can be done technically without being cost prohibitive.
4. **Increasing the age limit on Cat D cash pay out slot machines** - They want to just move the industry's current voluntary 18-year-old only requirement on to a mandatory footing and make it an offence to allow under 18 year olds to play such machines.
5. **Increase in LA fee cap for premises licences** - Although DCMS has no evidence to suggest that the cap needs increasing they are open to receiving responses to inform their thinking.

The Board raised the absence of triennial review within the White Paper. DCMS says that the White Paper changes will change the regulatory landscape a lot and including a triennial review in the mix would make it more complicated. DCMS encouraged the trade bodies to work together to provide more evidence to the Minister about why a review in Stakes and Prizes is needed and the suggested uplift.

Update from Gambling Commission on White Paper

A summary for those who were unable to join the GC's webinar this afternoon:

- The Commission has identified 24 key areas for them to lead on in the White Paper grouped under the themes of Data & Evidence, Operations and Changes to Regulatory Requirements.
 - They describe this as a multi-year programme of work as they will be embedding evaluation into the changes. The approach to evaluation will vary by issue but when they publish their response to consultations it will include information about the expected regulatory outcome and how they will evaluate that outcome has been achieved.
 - First consultations due in the coming weeks (all published at the same time, ideally pre recess) which will run for 12 weeks:
 - Age Verification in Land Based premises – removing the exemption for small operators (Cat A&B) to do test purchasing and changing the Ordinary Code from Think 21 to Think 25
 - Financial vulnerability checks and financial risk assessment requirements for remote operators
 - Remote games design
 - Direct marketing and cross selling - new SR Code extending the existing Privacy Electronic Communications Regulations to new and existing customers
 - Extending the requirement to hold a PML to some functions
 - Changes to regulatory panels
 - There will be a second tranche of Commission consultations in autumn looking at socially responsible inducements and customer led management tools and they want to engage with industry as part of the pre consultation process.
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- The Commission will respond to consultations after they have closed and will endeavour to allow a 3-month lead in time for changes coming into effect so nothing will change before next year.
- However, some of the White Paper actions can be done via updates to their website – for example white label partnerships expectations published in June and this month they will update their website with the Commission’s overall approach to vulnerability..
- Alongside the consultations the Commission will continue to act in its advisory role to Government on the elements on the WP that DCMS is taking forward.
- This will include setting out the Commission’s role in relation to the statutory levy (they will have a role in collecting the levy but not in deciding where that money goes - Government will decide that).
- The Commission said it is likely that the voluntary RET requirements will be removed once the statutory levy is in place, and that they will be discussing with Government the impact of the statutory levy on the destination of regulatory settlement funds.
- They will also work with Government on the industry proposals for the Ombudsman and encouraged everyone to engage with BGC who are leading on the work.

Update on the Culture Media & Sport Committee

Following a meeting last week with the Clerk to this Committee, GBG will be submitting a short additional response to the follow up to the Committee’s Inquiry by 14th July which focuses on

1. What are the most welcome proposals in the Gambling White Paper?
 2. Are there any significant gaps in the Government's reforms?
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3. What are the potential barriers to the Government and Gambling Commission delivering the White Paper's main measures by summer 2024, the Government's stated aim?

The Clerk confirmed that all previous evidence submitted was being considered but they wanted to get short supplementary comments on the White Paper which had been published after the original Inquiry's closing date. The Committee now expects its report to be published in October. If you have any comments for inclusion, please send to charlotte@gamblingbusinessgroup.co.uk by 10 July.

GBG MSA Group meeting with Gambling Commission

Yesterday our MSA members held a positive meeting with the Commission's Director of Strategy to discuss the way MSA operate and measures in place regarding customer interaction and age verification in particular. The Commission then visited a MSA site.

Forthcoming GBG Group Meetings

12 July (11 – 12) - All Members GBG Meeting with the latest updates on developments. Please note that we also have 2 speakers – HMRC regarding their pending NMW compliance visits to gambling operators, and TLT will discuss the pending Protect Duty (Martyn's Law) and what operators will be required to do. So please send colleagues to attend if you are unable to make it.

18 July (2 – 3.30) GBG Licensing Group - with WalkSafe as the external speakers

19 July (11 – 12.30) GBG Land Based Responsible Gambling Group - with Gordon Moody as the external speaker.

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