

GAMBLING COMMISSION

Gambling Commission Business Plan 2010-11

Introduction

The Commission's remit

- 1.1 The Commission was established by the Gambling Act 2005 (the Act) and became fully operational on 1 September 2007. It regulates casinos, bingo, gaming machines and lotteries and has responsibility for the regulation of betting, arcades and remote gambling. The Commission also has a general responsibility for advising national and local government on gambling, the way it is carried out, its effects and its regulation.
- 1.2 The Commission is a Non-Departmental Public Body, sponsored by the Department for Culture, Media & Sport. Its main source of income is licence fees paid by gambling operators.

The licensing objectives

The Act requires the Gambling Commission to permit gambling in so far as reasonably consistent with the following licensing objectives:

- to keep crime out of gambling
- to ensure that gambling is conducted fairly and openly
- to protect children and other vulnerable people from being harmed or exploited by gambling

About this business plan

- 1.3 This plan sets out the Commission's plans for the financial year 2010-11. Many of these programmes continue from financial year 2009-10 but we have taken this opportunity to review our approach in a number of areas to ensure that our objectives are delivered as efficiently as possible. The Business Plan reflects the statutory framework in which we operate – with a clear focus on the licensing objectives set out in the Act (see above).
- 1.4 The programmes we have developed are the way in which we will deliver our strategic objectives and each programme sits beneath one of the strategic objectives, although most programmes will contribute to the delivery of more than one strategic objective.

The Commission's strategic objectives

- **Strategic objective 1: regulating gambling in the public interest** – Delivering a proportionate regulatory regime consistent with the licensing objectives which delivers best practice licensing and enforcement and ensures compliance by licensees
- **Strategic objective 2: providing authoritative advice on gambling and its regulation** – Building the Commission's knowledge base through knowledge management, intelligence and research
- **Strategic objective 3: engaging with stakeholders** – Ensuring that the Commission is accountable, properly balanced and informed in its work
- **Strategic objective 4: developing our employees and organisation** – Delivering professional, responsive, accountable and fair regulation.

1.5 This Business Plan sets out for each programme what we are seeking to achieve; how we plan to achieve it; and the key outputs we will deliver which will indicate that we are making appropriate progress towards the delivery of outcomes. In the Business Plan, we have expressed this for each programme in terms of:

- the **objectives** set for each programme. These are objectives geared towards our outcomes and so may be short, medium or longer term in nature, depending on the programme
- the **key elements** of the programme. These describe the main workstreams which the programme expects to undertake during 2010-11 in order to make progress towards achievement of the programme objectives
- the **key milestones** for each programme. These are key deliverables, intermediate outcomes or key events which need to take place in order to deliver the stated outcomes. The key milestones form the basis of more detailed programme, project or workstream delivery and resourcing plans which programme managers and programme teams develop and maintain.

Managing our performance

1.6 This Business plan sets out the way in which the Commission will deliver its strategic objectives. Delivery of the objectives described in the Business plan is monitored through the Commission's suite of performance management tools.

1.7 The delivery plans under each of the Strategic Objectives are organised into thematic programmes.

1.8 Progress against the Business Plan as a whole will continue to be reported to the Board on a quarterly basis through the Business Plan progress report. This report will focus on the Commission's progress towards delivering the objectives set for each of the programmes and any risks or issues which arise and need to be managed as part of that successful delivery.

1.9 In addition, many of the Commission's core business activities are underpinned by more detailed performance reporting, including key performance indicators. Such measures will continue to be reported through the Balanced Scorecard which is compiled monthly as part of the Commission Performance Report. In the case of core operational processes, the Business Plan report is supplemented by a more detailed quarterly review which is reported through the Quarterly Operations Report. In addition, key activities in all areas are highlighted to the Board through the Chief Executive's monthly report.

Key programmes for 2010-11

1.10 The following sections set out details of all the Commission's key programmes for the coming year. Each programme comprises a range of activities that contribute to our objectives. Much of the activity relates to maintaining the essential business of the Commission. Within each programme, however, are some elements that are designed to improve the way the Commission works – for example, by making us more efficient, helping us to provide an improved service or otherwise improving our performance.

<p>Strategic objective 1: regulating gambling in the public interest</p> <p>Resources: 140 FTE approx, £8.5m</p>	<p>Strategic objective 2: providing authoritative advice on gambling and its regulation</p> <p>Resources: 27 FTE approx, £1.8m</p>
<p>Key programmes</p> <p>Risk-based regulation</p> <p>Quality Improvement</p> <p>Technology and innovation</p> <p>Better regulation and simplification</p> <p>Betting integrity</p>	<p>Key programmes</p> <p>Building the evidence base</p> <p>Business intelligence</p>
<p>Strategic objective 3: engaging with stakeholders</p> <p>Resources: 30 FTE approx, £1.9m</p>	<p>Strategic objective 4: developing our employees and organisation</p> <p>Resources: 14 FTE approx, £1.2m</p>
<p>Key programmes</p> <p>Stakeholder engagement</p> <p>Enquiry and contact management</p>	<p>Key programmes</p> <p>Financial control</p> <p>Performance management</p> <p>People Support</p> <p>Organisational Effectiveness</p> <p>Business development</p>

Strategic objective 1: Regulating in the public interest

Programme SO1.1: Risk-based regulation

Accountable Director: Nick Tofiluk

Programme objectives

- To assess and act to mitigate the risks to the licensing objectives created by the activities of licensed and unlicensed individuals and operators by providing guidance and advice and delivering effective licensing, compliance and enforcement processes.
- To improve the Commission's understanding of regulatory risk by:
 - The efficient collection and collation of compliance assessment data
 - Analysis and dissemination of risk information by sector and operator
 - Enhancing the risk model to exploit best practice

Key programme elements

- Licensing the industry: 80% of operator licences issued within 6 weeks of receipt of application and 85% personal licences issued within 4 weeks of receipt of application
- Compliance: completing risk assessments for all high-risk operators licensed by the Commission
 - undertaking thematic compliance work, including the development and implementation of control plans in particular areas eg poker; illegal machine supply
- Enforcement: criminal investigations (enforcement authorisation to decision maker) completed within 20 weeks and 80% of regulatory investigations (notification to first decision maker) completed within 12 weeks.
- Embedding a Planning, Assessment and Finalisation methodology in to the Commission's regulatory engagements
- Collection, quality control and assurance of risk assessment data
- Developing the methods of risk assessment and analysis and performance reporting
- Developing risk self-assessment tools for selected large gambling operators

Key programme milestones

- Quarterly operations report to Board in May, August, November 2010 and in February 2011
- Finalise improved suite of management information by June 2010
- In consultation with industry and other key stakeholders, agree self-assessment toolkit by January 2011
- Evaluate internal and external understanding of the risk-based approach by March 2011

Strategic objective 1: Regulating in the public interest

Programme SO1.2: Quality Improvement

Accountable Director: Nick Tofiluk

Programme objectives

- To complete the design and implementation of a quality control and assurance plan to ensure that the quality of regulatory outcomes is:
 - agreed during the design phase of regulatory interventions
 - monitored and actively managed throughout the delivery process
 - increased during 2010-11 and where the system facilitates continuous improvement over the longer-term.

Key programme elements

- Designing a quality control and assurance plan that incorporates the following elements:
 - control gateways and triggers which are embedded in key processes and behaviours
 - systemised quality reporting throughout the process and through appropriate audit and assurance assessments
 - training and awareness activities that ensure compliance with agreed processes and standards of professional integrity
- Embedding the quality control and assurance plan to ensure the quality of regulatory outcomes.

Key programme milestones

- Deliver improved management information mechanisms, ensuring alignment between business process and supporting IT systems by August 2010
- Complete the design and implementation of a regulatory quality control and assurance plan by December 2010
- Evaluate the impact of the improved quality control and assurance approach by March 2011.

Strategic objective 1: Regulating in the public interest

Programme SO1.3: Technology & innovation

Accountable Director: Matthew Hill

Programme objectives

- To improve the Commission's capacity to identify and respond positively to technological and other innovations in the gambling industry, while ensuring maintaining the integrity of the regulatory regime
- To contribute to the development of an effective regulatory regime for overseas-based online gambling operators that target customers in Britain

Key programme elements

- Developing our processes to improve early identification and assessment of technological and business model developments, particularly within the machines and remote sectors
- Providing advice on and influencing international developments in gambling and related regulation
- Monitoring and responding to the regulatory implications of developments domestically and overseas, including working with DCMS on the proposed reforms to the system of online gambling regulation in Great Britain

Key programme milestones

- Agree Skill with Prizes (SWP) machine characteristics with the industry, and if appropriate HMRC, by November 2010
- Implement a robust risk-based process model for identifying and assessing technological and business model developments by February 2011

Strategic objective 1: Regulating in the public interest

Programme SO1.4: Better regulation and simplification

Accountable Director: Matthew Hill

Programme objectives

- To ensure that the Commission undertakes its statutory functions effectively and acts in accordance with its legal powers and duties.
- To embed the Commission's approach to Better Regulation.
- To improve delivery co-ordination between the Commission and its partners in the co-regulatory system, principally local authorities, the police, the Local Authorities Coordinators of Regulatory Services (LACORS), the Society of Local Authority Lawyers and Administrators (SOLAR), the Convention of Scottish Local Authorities (COSLA) and the Local Better Regulation Office (LBRO): and through that to improve the efficiency and effectiveness of the regulatory arrangements.

Key programme elements

- Ensuring the continued fitness for purpose of the Commission's regulatory framework and processes, including consideration of future revisions to the LCCP.
- Leading and co-ordinating the development of the Commission's relationships with regulatory partners, including local authorities, including implementation of the England and Wales Concordat and development of the Scottish Concordat.
- Reviewing the consistency and relevance of information provided through local authority quarterly returns.
- Leading the continuous improvement of the Commission's approach to better regulation, and liaising with DBIS/BRE to keep abreast of better regulation developments.
- Providing advice to DCMS on priority areas for simplification; pursuing those priorities and working with DCMS and others to remove barriers.
- Providing high quality policy and legal advice to the Commission and ensuring that the Regulatory Panel is managed effectively.

Key programme milestones

- Provide outline protocols to local authorities in support of the Concordat by June 2010.
- Review progress on the implementation of Hampton recommendations in August 2010 and February 2011.

- Review revised local authority returns approach, with particular reference to the limited quarterly returns pilot, by March 2011. Issue a revised edition of Rules of Casino Games in Great Britain by June 2010 and review the approach to games trials by March 2011
- Develop a Scottish Concordat by March 2011
- Review approach to self exclusion including the code of practice by December 2010

Strategic objective 1: Regulating in the public interest

Programme SO1.5: Betting integrity

Accountable Director: Nick Tofiluk

Programme objectives

- To reduce the risk to the integrity of betting, particularly sports betting, in Great Britain by deterring criminality, and promoting fairness and openness, directly through criminal prosecution and indirectly by supporting efforts to deter and disrupt attempts to corrupt betting.
- In conjunction with partners, to develop a shared understanding of the threat posed to the integrity of sports betting and further build on the Commission's capacity to advise on this threat and ways of tackling it
- To help strengthen public confidence in the integrity of betting on events.

Key programme elements

- Developing and maintaining strategic collaborations with key stakeholders.
- Establishing the SBIU as a centre of excellence for the development of information and intelligence related to sports betting integrity matters
- Managing criminal investigations related to corrupt sports betting
- Developing a clearer receipt and assignment mechanism to ensure appropriate and consistent decision making with regard to the adoption of referred matters, progression and assignment of criminal investigations and consideration of alternative action.
- Providing information and assistance to others and where necessary support the development of partners' intelligence and investigative capabilities.
- Managing our performance, reporting and communications
- Working with the betting industry to help them to develop terms and conditions that reflect sport governing bodies rules and make information sharing as straightforward as possible.
- Keeping under review related Commission policies including on the voiding of bets, the risks associated with in play betting and with different types of bets
- Assisting DCMS with any review of the Commission's powers in relation to Section 42 of the Gambling Act 2005 and definitions of cheating.

Key programme milestones

- Develop detailed plans for the implementation of the recommendations from the Sports Betting Integrity Panel to enhance the Commission's current intelligence capability in the area of sports betting by May 2010
- Following the early establishment of the Sports betting intelligence unit (SBIU), work with the police and the Sports Betting Group, to publish the Commission's decision-making framework in the area of betting-related corruption by October 2010
- Publish LCCP supplement on licence condition 15.1 in consultation with industry, the Sports Betting Group and other stakeholders by December 2010
- Commence work with betting operators to help bring about a change to their terms and conditions to make the contravention of professional or employer rules on betting a breach of the betting operators' terms and conditions by May 2010

Strategic objective 2: Providing authoritative advice on gambling and its regulation

Programme SO2.1: Building the evidence base

Accountable Director: Matthew Hill

Programme objectives

- To build the evidence base to advise on effective regulation.
- To support the activities of the Responsible Gambling Strategy Board, ensuring a source of independent advice to the Commission on the research, education and treatment elements of the national responsible gambling strategy.

Key programme elements

- Working with the Department to agree the future of gambling research, including the BGPS and future funding arrangements.
- Conducting the third British Gambling Prevalence Survey (BGPS).
- Mapping the future gambling landscape.
- Capturing quarterly participation data for all gambling activities and public perception of gambling.
- Supporting activities of the Responsible Gambling Strategy Board and its expert panels, acting as 'intelligent client' by ensuring that effective governance arrangements are in place.
- Conducting reviews of evidence in relation to existing and emerging policy areas.
- Working with the National Lottery Commission to identify opportunities for opportunities to collaborate on research which is of mutual benefit to both Commissions.

Key programme milestones

- Fieldwork for Prevalence Survey completed by May 2010
- Disseminate options for future options for mapping the gambling landscape by June 2010, conclude on next steps by March 2011.
- Publish ICM omnibus quarterly reports on remote gambling participation in April, July, October 2010 and January 2011
- Publish ICM omnibus report on public perceptions in January 2011.

- Publish ICM omnibus quarterly reports on all gambling in April, July, October 2010 and January 2011.
- Conclude on the use of problem gambling screening within omnibus surveys by January 2011.
- Publish the third BGPS by February 2011

Strategic objective 2: Providing authoritative advice on gambling and its regulation

Programme SO2.2: Business intelligence

Accountable Director: Matthew Hill

Programme objectives

- To enhance the Commission's ability to gather, create, organise and access reliable information needed to inform the Commission's risk based approach to regulation, its duty to advise the Secretary of State and to help improve the service we provide to stakeholders.

Key programme elements

- Developing the Commission's Strategic Assessment process and providing strategic analysis to support all areas of the Commission's business
- Improving regulatory returns as a principal source of information
- Determining the regulatory requirement for intelligence and delivering against this
- Maintaining information management and information security to a level consistent with all relevant standards including those laid down by the Cabinet Office and the ISO 27001 Information Security Management standards
- Maintaining effective policies and processes to manage Freedom of Information Act 2000 and Data Protection Act 1998 responses and legislative compliance.
- Maintaining resilient business continuity plans.

Key programme milestones

- Develop and implement action plans resulting from BSI's post-ISO27001 accreditation assessments in June 2010 and December 2010
- Deliver Strategic Assessment products in September 2010 and SA update in February 2011.
- Agree regulatory requirement for intelligence by March 2011

Strategic objective 3: Engaging with stakeholders

Programme SO3.1: Stakeholder engagement

Accountable Director: Julia Mackisack

Programme objectives

- To develop and maintain effective relationships at all levels with stakeholders within the regulatory sphere, local authorities, those within industry and those within the community that have an interest in gambling and the regulation of gambling in Great Britain.
- To improve stakeholder and Commission mutual understanding of the regulatory framework and the Commission's role and risk-based approach.

Key programme elements

- Developing and implementing an effective external communications, media and public affairs strategy, including continuous improvement of the Commission's internet site.
- Developing and implementing effective internal communication channels to ensure that employees have a common understanding of the Commission's role, policies and procedures.
- Delivering suite of key publications including the Commission's Annual Report and industry statistics.

Key programme milestones

- Deliver recommendations to improve internal communications channels by June 2010.
- Publish Annual Report and industry statistics by July 2010.
- Agree plans with Welsh Language Board for Welsh translations of key information by March 2011
- Explore the feasibility of a confidential intelligence phone line by July 2010

Strategic objective 3: Engaging with stakeholders

Programme SO3.2: Enquiry and contact management

Accountable Director: Julia Mackisack

Programme objectives

- Improve the initial enquiry management function and provide advice at the first point of contact, improving levels of service for industry and other stakeholders.

Key programme elements

- Improving the consistency of recording and management of contacts throughout the Commission
- Improving the Commission's levels of service in telephone, e-mail and postal enquiries
- Overseeing the rollout of customer relationship management (CRM) Commission-wide

Key programme milestones

- Evaluate pilot of CRM as a contact management tool and make recommendations for future contact management arrangements by July 2010

Strategic objective 4: Developing the organisation and its employees

Programme SO4.1: Financial control

Accountable Director: Julie Grant

Programme objectives

- To ensure effective control of the Commission's financial resources
- To deliver high quality management information which informs key strategic decisions
- To maintain and develop the Gambling Commission's fee structure.

Key programme elements

- Managing the Commission's financial relationships with DCMS and Her Majesty's Treasury, including Grant-in-Aid requirements
- Managing and collecting all income due to the Commission
- Managing and maintaining effective systems for the management and control of the Commission's revenue and capital expenditure in line with agreed priorities
- Reviewing spending streams to ensure value for money and establish benchmarks for key costs/indicators with comparable organisations
- Delivering annual financial statements in accordance with statutory guidance and deadlines; produce the 2009-10 annual accounts in accordance with International Financial Reporting Standards (IFRS) requirements; provide final accounts for Parliamentary approval
- Developing the Commission's approach to future fee structures through a review of existing fee arrangements and identifying areas for future consultation with key stakeholders

Key programme milestones

- Deliver 2009-10 financial accounts for Parliamentary approval by end July 2010.
- Provide quarterly value for money reports to Management Board on savings and efficiencies (April 2010, July 2010, October 2010, January 2011)

Strategic objective 4: Developing the organisation and its employees

Programme SO4.2: Performance management

Accountable Director: Julie Grant

Programme objectives

- To identify and manage business risk
- To develop and refine the Commission's suite of Key Performance Indicators to improve the effectiveness of the services we provide.
- To deliver high quality management information which informs key strategic decisions

Key programme elements

- Identifying and managing business risk across the Commission.
- Defining and developing Commission-wide Key Performance Indicators and measures of performance; developing tools, techniques, analysis, reporting and training.
- Developing and managing an internal audit plan for the year, ensuring sufficient resources are allocated for its delivery.
- Supporting the Accounting Officer and the Audit Committee in the exercise of formal accountability mechanisms, including through the management of the Commission's risk management committee, which oversees the development, implementation and maintenance of risk management across the Commission.
- Producing financial management reports and statements including monthly performance reports to the Board.

Key programme milestones

- Review the content and effectiveness of the Commission's Balanced Scorecard, ensuring its fit with complementary reporting and management information tools, by April 2010.
- Facilitate a Board discussion around the Omand principle of risk management twice annually.
- Review and ensure continuing effectiveness of risk management processes and methodology by May 2010.
- Produce Statement of Internal Control by July 2010
- Provide quarterly income and expenditure reforecasts to Management Board and the Board (end July 2010, October 2010, January 2011)

Strategic objective 4: Developing the organisation and its employees

Programme SO4.3: People support

Accountable Director: Justine Kenny

Programme objectives

- To provide practical support to line managers through the provision of specialist advice and guidance on people management, HR issues, Commission policies, employment law and professional good practice.
- To maintain an integrated set of up to date and appropriate HR policies, processes and guidance to ensure that common standards are applied throughout the Commission throughout the employee lifecycle.
- To manage consultation and negotiation with relevant employee groups.

Key programme elements

- Ensuring fit for purpose approaches to employee resourcing, including effective recruitment processes, diversity practices, and workforce planning
- Ensuring fit for purpose approaches to the development of employees, including skills and competency framework, leadership development programmes, and performance management systems
- Providing guidance and support to managers on the practical application of HR policies and processes in specific cases, taking the lead where appropriate (e.g. discipline and grievance)
- Managing the Commission's pay and reward system
- Manage employee relations agreements, policies, protocols and practical arrangements to underpin the Commission's ways of working with employees and trade unions

Key programme milestones

- Upgrade Snowdrop and transfer all employee information by September 2010
- Implement pay award by December 2010

- Ensure that all final performance reviews and employee objectives agreed by December 2010
- Package of quarterly management information provided to heads of function in April, July, October 2010 and in January 2011

Strategic objective 4: Developing the organisation and its employees

Programme SO4.4: Organisational Effectiveness

Accountable Director: Justine Kenny

Programme objectives

- To support the organisation to improve its effectiveness and deliver higher quality outcomes by coaching and advising leaders and managers to make the best use of current capabilities and developing those to meet future challenges.
- To ensure that the Commission's reward and performance management systems are well suited to secure the Commission's objectives
- To embed Commission values and develop more effective ways of working through the leadership and development programme

Key programme elements

- Managing the leadership and development programme and related activities
- Assessing and managing implications for the organisational structure of potential longer term changes to the Gambling Commission's role and remit eg potential merger with the National Lottery Commission
- Reviewing the pay and reward structure to identify any scope for improved structure and processes and reduction of perceived anomalies
- Reviewing the job evaluation system with a view to improving its effectiveness, efficiency and transparency.
- Identifying ways to improve the effectiveness of the performance management system while keeping burdens on employees and managers to a minimum
- Reviewing the way in which employees wish to be represented, with a view to a decision on union recognition

Key programme milestones

- Review pay and reward system by August 2010
- Implement revised job evaluation policy and process by August 2010
- Implement revised performance management policy and supporting guidance/forms/process by August 2010.
- Evaluation of Employee Forum and decision on trade union recognition by September 2010, subject to process
- Developing exit interview process and analysing outcomes by October 2010
- Deliver final MDP modules by November 2010
- Review competencies framework by December 2010

Strategic objective 4: Developing the organisation and its employees

Programme SO4.5: Business development

Accountable Director: Matthew Hill

Programme objectives

- To develop and manage effectively the Commission's business plan, and supporting infrastructure, including ICT and secretariat services for the Commission and Executive Boards and Committees.

Key programme elements

- Leading the Commission's business planning activity and providing programme management and secretariat support for the Commission.
- Ensuring the provision of robust, secure electronic communications infrastructure and Information Technology (IT) services.
- Continuing to improve efficiency through IT reconfiguration projects.
- Overseeing the IT rollout of customer relationship management (CRM) Commission wide.
- Delivering the Commission's contribution to e-Government initiatives and targets and e-Accessibility of its services.

Key programme milestones

- Review Commission Corporate Plan 2008-11 by September 2010
- Produce agreed Commission Corporate Plan 2011-14 by January 2011
- Produce Commission Business Plan for 2011-12 by April 2011